

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-K

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

For the fiscal year ended December 31, 2024
or

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

Commission File Number 001-35872

EVERTEC, Inc.
(Exact name of registrant as specified in its charter)

Puerto Rico
**(State or other jurisdiction of
incorporation or organization)**

66-0783622
**(I.R.S. employer
identification number)**

**Cupey Center Building, Road 176, Kilometer 1.3,
San Juan, Puerto Rico**
(Address of principal executive offices)

00926
(Zip Code)

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

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

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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 has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the common stock held by non-affiliates of EVERTEC, Inc. was approximately \$1,400,653,424 based on the closing price of \$33.25 as of the close of business on June 30, 2024.

As of February 20, 2025, there were 63,614,077 outstanding shares of common stock of EVERTEC, Inc.

Documents Incorporated by Reference:

Specifically identified portions of the registrant's definitive Proxy Statement relating to its 2025 Annual Meeting of Stockholders are incorporated by reference in Part III of this Annual Report on Form 10-K where indicated. The Registrant's definitive proxy statement will be filed with the U.S. Securities and Exchange Commission (the "SEC") within 120 days after the end of the registrant's fiscal year ended December 31, 2024.

EVERTEC, Inc.
2024 Annual Report on Form 10-K

TABLE OF CONTENTS

	Page
<u>Part I</u>	
Item 1—Business	4
Item 1A—Risk Factors	14
Item 1B—Unresolved Staff Comments	32
Item 1C—Cybersecurity	32
Item 2—Properties	34
Item 3—Legal Proceedings	34
Item 4—Mine Safety Disclosures	34
<u>Part II</u>	
Item 5—Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	35
Item 6—[Reserved]	36
Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations	37
Item 7A—Quantitative and Qualitative Disclosures About Market Risk	50
Item 8—Financial Statements and Supplementary Data	52
Item 9—Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	52
Item 9A—Controls and Procedures	52
Item 9B—Other Information	52
Item 9C— Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	52
<u>Part III</u>	
Item 10—Directors, Executive Officers and Corporate Governance	53
Item 11—Executive Compensation	56
Item 12—Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	57
Item 13—Certain Relationships and Related Transactions and Director Independence	57
Item 14—Principal Accountant Fees and Services	57
<u>Part IV</u>	
Item 15—Exhibits and Financial Statement Schedules	58
Item 16—Form 10-K Summary	50
Signatures	62

Forward-Looking Statements and Risk Factor Summary

This Annual Report on Form 10-K (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 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 other macroeconomic factors on our business, financial condition and results of operations; 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.
- 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 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 possibility that we may not realize the anticipated benefits of our merger with Sinqia;
- the effect of purchases of our common stock pursuant to our stock repurchase plan on the value of our common stock;

- 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; and
- the other factors set forth under "Part I, Item 1A. Risk Factors" in this Report.

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 "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Report. 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.

INDUSTRY AND MARKET DATA

This Report includes industry data that we obtained from periodic industry publications, including the 2025 World Payments Report. Industry publications generally state that the information contained therein has been obtained from sources believed to be reliable. This Report also includes market share and industry data that were prepared primarily based on management's knowledge of the industry and industry data. Unless otherwise noted, statements as to our market share and market position relative to our competitors are approximated and based on management estimates using the above-mentioned latest-available third-party data and our internal analysis and estimates. While we are not aware of any misstatements regarding any industry data presented herein, our estimates, in particular as they relate to market share and our general expectations, involve risks and uncertainties and are subject to change based on various factors, including those discussed under "Risk Factors," "Forward-Looking Statements and Risk Factor Summary" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Report.

Part I

Item 1. Business

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 Holdings, EVERTEC Group; EVERTEC Dominicana, SAS; Evertec Chile Holdings SpA; Evertec Chile SpA; Evertec Chile Global SpA; Evertec Chile Servicios Profesionales SpA; Tecnopago España SL; Paytrue S.A.; Caledon; 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., Homie do Brasil Informática S.A., Rosk Software S.A., Lote 45 Participações S.A., and Compliasset S.A. (collectively “Sinqia”); Grandata, Inc., Grandata Mexico, S.A. de C.V., Grandata USA, Inc. and Big Data Analytics SA (collectively “Grandata”); and Nubity S.R.L., Nubity Inc. and Nubity Cloud, S.A.P.I. de C.V. (collectively “Nubity”). Neither EVERTEC nor EVERTEC Intermediate Holdings, LLC conducts any operations other than with respect to its indirect or direct ownership of EVERTEC Group.

Company 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 26 countries out of 24 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 a comprehensive suite of services for core banking, cash processing, fulfillment in Puerto Rico and a “one stop shop” access to products for the financial sector in Latin America, which includes solutions such as core banking, investments, asset management, pension funds and consortium. Additionally, we offer managed services, managed security services and payment transactions fraud monitoring to all the regions we serve. 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, win 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 part of the transaction-processing value chain (such as only merchant acquiring or only issuing 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.

For the year ended December 31, 2024, approximately 31% of our revenue was generated from our relationship with Popular. The revenue concentration with Popular makes our MSA with them our most significant client contract.

See “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Factors and Trends Affecting the Results of Our Operations - Relationship with Popular.”

Recent Acquisitions

In October 2024, the Company signed and closed an agreement to acquire 100% of the share capital of Grandata, Inc ("Grandata"). Grandata is a data analytics company operating in Mexico that specializes in leveraging behavioral data to provide credit risk insights, with a focus on underbanked populations.

In November 2024, the Company signed and closed an agreement to acquire 100% of the share capital of Nubity, Inc ("Nubity"). Nubity is a cloud services provider based in Mexico, specializing in AWS cloud infrastructure management, DevOps, and cloud-native application solutions for clients across Latin America.

We plan on leveraging our existing client base to accelerate the growth of these acquisitions similar to what we have been able to do with other business acquisitions.

Industry Trends

Accelerated Shift to Digital Payment Methods

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-on-phone, 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 (e-commerce gateway), 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 PIX 2.0 to take advantage of Brazil's fastest instant money transfer system called PIX. We believe that the ongoing shift to digital payments will continue to generate substantial growth opportunities for our business.

Fast Growing Latin American and Caribbean Financial Services and Payments Markets

The markets in which we operate, particularly in the Latin America region, continue to grow as consumers and businesses adopt digital payment schemes. Innovation and the introduction of new payment methods, such as digital wallets and QR codes, has also boosted the use of non-cash methods of payment. In 2024, non-cash transaction in Latin America, which has been a historically cash heavy economy, amounted to approximately 133 billion, representing a 23.2% growth spike. Non-cash transaction volumes are expected to grow to 340.7 million in 2028 from 109.2 million in 2022 according to the 2025 World Payments report. Latin America is experiencing a surge in instant payments, driven by Pix in Brazil, Redcompra in Chile, ACH in Colombia, among others, that is revolutionizing the manner in which business and people transact. Pix in Brazil was the fastest growing payment method, with a approximate 26% CAGR from 2021 to 2023. From the B2B perspective, non-cash transaction volumes for commercial payments are expected to grow from 17.3 million in 2022 to 75.5 million in 2028. The region’s fintech sector is also driving change via new contactless payment technologies that are becoming popular alternatives

to cash payments. We continue to believe that the attractive characteristics of our markets and our position across multiple services and sectors will continue to drive growth and profitability in our businesses.

Ongoing Technology Outsourcing Trends

We benefit from the trend of financial institutions and government agencies outsourcing technology systems and processes. Financial institutions globally are facing significant challenges including the entrance of non-traditional competitors, the compression of margins on traditional products, significant channel proliferation and increasing regulation that could potentially curb profitability. Many of these institutions have traditionally fulfilled their IT needs through legacy computer systems, operated by the institution itself. Legacy systems are generally highly proprietary, inflexible, and costly to operate and maintain. Many medium and small-size institutions in the Latin American markets in which we operate have outdated computer systems and updating these legacy systems is financially and logistically challenging, which presents a business opportunity for the Company.

Our Competitive Strengths

Market Leadership in Latin America and the Caribbean

We believe we have an inherent competitive advantage relative to competitors based on our first-hand knowledge of the Latin American and Caribbean markets and technology needs, language, and culture. We have built leadership positions across the transaction-processing value chain and the financial technology space in the key geographic markets that we serve, which we believe will enable us to continue to penetrate our core markets and provide advantages to enter new ones. We own and operate the ATH network, which we believe is one of the leading debit networks in Latin America. According to management's estimates, ATH branded products are the most frequently used electronic method of payment in Puerto Rico. We own Sinqia, which we believe is one of the leading providers of technology for financial institutions in Brazil. Our scale and customer base of top tier financial institutions and government entities ensures we are the leading card issuer and core bank processors in the Caribbean and the only non-bank provider of cash processing services to the U.S. Federal Reserve in the Caribbean. We believe our competitive position and brand recognition increases card acceptance, driving usage of our proprietary network, and presents opportunities for future strategic relationships.

Broad and Deep Customer Relationships and Recurring Revenue Business Model

We have built a strong and long-standing portfolio of financial institution, merchant, fintech, corporate and government customers across Latin America and the Caribbean, which provides us with a reliable, recurring revenue base and powerful references that have helped us expand into new businesses, new channels and geographic markets. Most of the revenue generated from each of our segments, Payment Services - Puerto Rico & Caribbean, Latin America Payments and Solutions and Merchant Acquiring segments, as well as certain business lines representing the majority of our Business Solutions are recurring in nature. We receive recurring revenues from services based on our customers' on-going daily commercial activity such as hosting accounts and information on our servers, processing financial products (credits, investments, foreign exchange, mutual funds, consortium) and processing everyday payments at grocery stores, gas stations and similar establishments. We generally provide these services under one to five-year contracts, often with automatic renewals. We also provide a few project-based services that generate non-recurring revenues in our Business Solutions segment and our Latin America Payments and Solutions segment, such as IT consulting for a specific project or integration or one-time license sales. Additionally, we provide a number of critical payment services, core banking services, managed services and managed security services to Popular as part of the A&R MSA through September 2028 and benefit from the bank's distribution network and continued support. Through our long-standing and diverse customer relationships, we can gain valuable insight into trends in the marketplace that allows us to identify new market opportunities. In addition, we believe the recurring nature of our business model provides us with revenue and earnings stability.

Highly Scalable, End-to-End Technology Platform

Our diversified business model is supported by our scalable, end-to-end technology platforms that allow us to provide a broad range of transaction-processing services and develop and deploy technology solutions for our customers at low incremental costs and increasing operating efficiencies. We have spent over \$361 million over the last five years on technology investments, including POS terminals, enhancements to the functionality and capacity of our platforms and we have been able to achieve attractive economies of scale with flexible product development capabilities. We believe that our platforms will allow us to provide differentiated services to our customers and facilitate further expansion into new sales channels and geographic markets.

Experienced Management Team with a Strong Track Record of Execution

We have grown our revenue organically and inorganically which has enabled us to introduce new products and services and expand our geographic footprint throughout Latin America. We have a proven track record of creating value from operational and technology improvements and capitalizing on cross-selling opportunities. EVERTEC's management team brings many years of industry experience, with long-standing leadership at the operating business level and collectively benefits from an average of over 20 years of industry experience. We believe our leadership team is well positioned to continue to drive growth across business lines and regions.

Our Growth Strategy

We intend to grow our business by continuing to execute on the following business strategies:

Continue Cross-Sales to Existing Customers

We seek to grow revenue by selling additional products and services to our existing merchant, financial institution, corporate and government customers. We intend to broaden and deepen our customer relationships by leveraging our full suite of end-to-end technology solutions. We have also been successful exporting our regional products into the different markets in which we operate, tailoring to the specific needs and regulatory environments of each. We continue to believe that there is opportunity to cross-sell our financial technology solutions and our payment products. We will also seek to continue to cross-sell value-added services into our existing client base.

Leverage Our Franchise to Attract New Customers in the Markets We Currently Serve

We intend to attract new customers by leveraging our comprehensive product and services offering, the strength of our brand and our leading end-to-end technology platform. Furthermore, we believe we are well positioned to develop new products and services and take advantage of our access and position in markets we currently serve. For example, in markets we serve outside of Puerto Rico, we believe there is a good opportunity to penetrate small to medium and some larger financial institutions, fintech companies and medium to large retailers with our products and services.

Expand in the Latin America Region

We believe there is an opportunity to expand our businesses in Latin America, both organically through new business wins and inorganically through mergers and acquisitions. We believe that we have a competitive advantage relative to our peers based on our first-hand knowledge of the Latin American and Caribbean markets and their technological needs, our physical presence in the region, language, and culture. We believe significant growth opportunities exist in several large markets such as Brazil, Colombia, México, and Chile, as well as in smaller markets in Central America where expanding our presence could have a significant impact on our growth. We also believe that there is an opportunity to provide our services to existing fintech and financial institution customers in other regions where they operate. We continually evaluate our strategic plans for geographic expansion, which can be achieved through joint ventures, partnerships, or alliances and the pursuit of business acquisitions.

Develop New Products and Services

At the core of EVERTEC's value proposition is innovation. We must take advantage of the changing consumer and market dynamics and build innovative solutions for our clients. Our close relationship with customers and deep understanding of the markets where we operate, together with a proprietary intellectual property around our products and offerings, allow EVERTEC to continuously explore and develop new products and services that tend to our customer's needs.

We plan to continue investing and growing our merchant, financial institution, fintech, corporate and government customer base by investing in core products, including (i) processing platforms, such as Paystudio, (ii) data and fraud management solutions, such as Risk Center, Scudo and 3DS, (iii) merchant capture channels, such as ATH Movil for person-to-person, and person-to-merchant digital transactions, PVOT for Smart POS and Placetopay for card-not-present and omni-channel experiences, (iv) Sinqia suite of products for Financial Institutions. We also invest in value-added services such as API enablement, tokenization, loyalty, digital on-boarding, artificial intelligence and predictive models. We intend to continue to focus on these and some of the new products added to our portfolio thru acquisitions to take advantage of our leadership position in the transaction-processing and financial services industry in the Latin American and Caribbean region.

Our Business

We offer our customers end-to-end products and solutions across the transaction-processing value chain from a single source across numerous channels and geographic markets, as further described below.

Payment Services

Our merchant acquiring business provides services to merchants that allow them to accept electronic methods of payment such as debit, credit, prepaid and EBT cards carrying the ATH, Visa, MasterCard, Discover and American Express brands. We offer a full suite of merchant acquiring services that includes, but is not limited to, the underwriting of each merchant's contract, the deployment and rental of POS devices and other equipment necessary to capture merchant transactions, the processing of transactions at the point-of-sale, processing of transactions digitally through our online payment gateway, the settlement of funds with the participating financial institution, detailed sales reports, and customer support. We also offer integrated and semi-integrated payment solutions to our merchants, which either connect to or convert their existing cash registers into points-of-sale that allow them to capture payment transactions using EVERTEC rails, consolidating payment transactions in a single device.

We provide financial institutions and fintechs with processing, network and financial technology solutions and we believe we are the largest card processor and card network service provider in the Caribbean. Our main service offerings include authorization, switching, settlement, issuer credit and debit card processing, acquiring processing, and management and monitoring of ATMs and POS. At the point-of-sale, we sell transaction-processing technology solutions, similar to the services in our merchant acquiring business, to other merchant acquirers enabling them to service their own merchant customers. Additionally, through our payment gateway, we allow merchants to capture and process digital transactions. We also offer terminal driving solutions to merchants, merchant acquirers (including our merchant acquiring business) and financial institutions, which provide the technology to securely operate, manage and monitor POS terminals and ATMs. We also rent POS devices to financial institution customers who seek to deploy them across their own businesses. For our processing services, revenues are primarily driven by the number of transactions processed and the number of accounts on file / system (card accounts in the case of Issuers, merchant accounts in the case of Acquirers). These services provide our clients with the technology necessary to facilitate the processing and routing of payments across the transaction-processing value chain. We also provide value adding services for payment transactions such as fraud monitoring, management and control.

To enable financial institutions, governments and other businesses to issue and operate a range of payment products and services, we offer an array of card processing and other payment technology services, such as bill payment systems and EBT solutions. Financial institutions and certain retailers outsource to us certain card processing services such as card issuance, processing card applications, cardholder account maintenance, transaction authorization and posting, high volume payment processing fraud and risk management services, and settlement. Our payment products include electronic check processing, automated clearing house ("ACH"), lockbox, interactive voice response and web-based payments through personalized websites, among others.

To connect the merchants to card issuers, we own and operate the ATH network, which we believe is one of the leading PIN debit networks in Latin America. The ATH network connects the merchant or merchant acquirer to the card issuer and enables transactions to be routed or "switched" across the transaction-processing value chain. The ATH network offers the technology, communications standards, rules and procedures, security and encryption, funds settlement and common branding that allow consumers, merchants, merchant acquirers, ATMs, card issuer processors and card issuers to conduct commerce seamlessly, across a variety of channels, similar to the services provided by Visa and MasterCard. We also own and operate ATH Movil and ATH Business which is an ATH network product that allows individuals to (i) transfer money instantly to other individuals and merchants using only their phone number, and (ii) transfer money between an individual's registered cards. ATH Business enables businesses through the download of the application to accept payments instantly for their services or products from individuals with ATH Movil in real time and to donate to non-profit organizations.

Our EBT application allows certain agencies to deliver government benefits to participants through a magnetic card system in Puerto Rico.

Business Solutions

We serve our financial institutions, corporate and government customers with a wide suite of business process management solutions, some of which used to provide financial products in areas such as core banking, credit, investments, payments, foreign exchange, mutual funds, pension funds and consortium, in addition to software used to execute processes such as digital onboarding, digital signature and digital collection, as well as network hosting and management, IT consulting, business process outsourcing, item and cash processing, and fulfillment. In addition, we believe we are the only non-bank provider of cash processing services to the U.S. Federal Reserve in the Caribbean as well as the leading provider of a "one stop shop" set of products for the financial sector in Brazil.

Competition

Competitive factors impacting the success of our services include the quality of the technology-based application or service, application features and functions, ease of delivery and integration, ability of the provider to maintain, enhance and support the applications or services, and price. We believe that we compete well in each of these categories. In addition, we believe that scale and financial institution industry expertise, combined with our ability to offer multiple applications, services and integrated solutions to individual customers, enhances our competitiveness against companies with more limited offerings and helps us compete with large global competitors with similar assets to ours.

In payment services, we compete with several other third-party card processors, debit networks, and financial technology providers, including Tecnom Telecomunicaciones y Energía, S.A., Galileo Financial Technologies, LLC, Marqeta, Inc., Fidelity National Information Services, Inc., Fiserv, Inc., Total System Services, Inc., MasterCard, Inc., Visa, Inc., American Express, Discover, Global Payments, Inc., dLocal Corp. LLP, Rappi Inc. and PayPal Holdings, Inc. Also, card associations and payment networks are increasingly offering products and services that compete with our products and services. The main competitive factors are price, system performance and reliability, system functionality, security, service capabilities and disaster recovery and business continuity capabilities. In merchant acquiring, we compete with several other service providers and financial institutions that are either in our markets or represented through Independent Sales Organizations (“ISO”), including Fidelity National Information Services, Inc., Fiserv, Inc., Global Payments, Inc., Elavon, Inc., PayPal Holdings, Inc., Block, Inc., Zelle and some local banks. Also, the card associations and payment networks are increasingly offering products and services that compete with ours. The main competitive factors are price, reliability of service, brand awareness, strength of the relationship with financial institutions, system functionality, integration service capabilities and innovation. Our business is also impacted by the expansion of new payments methods and devices, card association business model expansion, and bank consolidation.

In business solutions, our main competition includes internal technology departments within financial institutions, retailers, data processing or software development departments of large companies, large technology and consulting companies, and/or financial technology providers, such as Fidelity National Information Services, Inc., Jack Henry & Associates, Inc., CGI Inc., HCL Technologies Limited, and Fiserv, Inc., Totvs S.A., and Stefanini S.A. The main competitive factors are organizational capabilities, portfolio comprehensiveness, price, system performance and reliability, system functionality, security, service capabilities, and disaster recovery and business continuity capabilities.

Intellectual Property

We own numerous registrations for several trademarks in different jurisdictions, pursue the registration of domain names for websites that we use and that we consider material to the marketing of our products, including the *evertecinc.com* domain, and own or have licenses to use certain software and technology, which are critical to our business and future success. For example, we own the ATH and EVERTEC trademarks in several jurisdictions, which are associated by the public, financial institutions and merchants with high quality and reliable electronic commerce, payments, and debit network solutions and services. Such goodwill allows us to be competitive, retain our customers and expand our business. Further, we also use a combination of (i) proprietary software, and (ii) duly licensed third-party software to operate our business and deliver secure and reliable products and services to our customers. The licensed software is subject to terms and conditions that we consider within the industry standards. Most are perpetual licenses, and the rest are term licenses with renewable terms. In addition, we monitor these license agreements and maintain close contact with our suppliers to ensure their continuity of service.

We seek to protect our intellectual property rights by securing appropriate statutory intellectual property protection in the relevant jurisdictions. We also protect proprietary know-how and trade secrets through our confidentiality policies, licenses, programs, and contractual agreements. However, we cannot guarantee that all applicable parties have executed such agreements. Such agreements can also be breached, and we may not have adequate remedies for such breach.

Intellectual property laws, procedures, and restrictions provide only limited protection, and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed, misappropriated, or otherwise violated. Furthermore, the laws of certain countries do not protect intellectual property and proprietary rights to the same extent as the laws of the United States, and we therefore may be unable to protect our proprietary technology in certain jurisdictions.

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy or obtain and use our technology to develop products and services with the same functionality as our products. Policing unauthorized use of our technology is

difficult. Our competitors could also independently develop technologies like ours, and our intellectual property rights may not be broad enough for us to prevent competitors from selling products and services incorporating those technologies.

People and Culture

On December 31, 2024, we had approximately 4,800 employees, 46% located in Brazil, 27% in Puerto Rico and the United States, and 27% located across Latin America and the Caribbean, including the Dominican Republic, Mexico, Guatemala, Costa Rica, Panama, Colombia, Chile, Peru and Uruguay.

In Brazil, we have approximately 2,000 unionized employees covered by industry-specific collective agreements. These agreements align with both industry standards and Brazilian labor laws to establish a fair and transparent framework for employment. We believe they contribute to a positive and collaborative work environment, supporting the overall success and sustainability of our operations in Brazil.

None of our other employees are otherwise represented by any labor organization. Our company has maintained a strong record of operational continuity, having never experienced any work stoppages related to employee matters. By fostering open communication, proactive engagement, and fair employment practices, we strive to create an environment where employee concerns are addressed promptly and effectively.

Inclusion and Belonging

Our culture is built on our core values, including a strong commitment to inclusion and belonging, an essential driver of innovation and brilliant ideas. We strive to integrate, leverage, and promote a sense of belonging across generations, cultures, abilities, and lifestyles to develop creative solutions that address our client's needs, while positively impacting our communities and business outcomes.

We foster an inclusive culture across our people, products, and services. Our regional model enables us to incorporate a variety of perspectives, ensuring that mindsets from a variety of backgrounds are reflected in our business strategies and decisions.

We estimate our workforce is approximately 35% female and approximately 65% male, and we believe our female representation is above the technology industry average. Additionally, due in large to the location of our employee base, approximately 99% of our employees and 90% of our managers are Latino.

Additionally, we periodically conduct gender gap pay analyses for our employee population.

Employee Engagement

Fostering strong employee engagement is a key component of our high-performance culture. We take a multifaceted approach to creating an environment where our workforce feels valued, heard, and motivated. Regular employee surveys are central to our strategy, providing a structured platform to gather feedback on various aspects of the workplace, including job satisfaction, communication, and opportunities for growth.

Additionally, our internal newsletters on Evertec's intranet are thoughtfully curated to feature relevant content, recognizing achievements, highlight milestones, and spotlighting employee contributions. Continuous team meetings and town halls further facilitate open communication, allowing for transparent discussions about company goals, challenges, and future initiatives.

As part of our commitment to recognizing and rewarding excellence, we have an employee recognition program called "Valoro". This program includes a platform that allows us to acknowledge employees for their outstanding work and embodiment of our corporate values. Also, twice per year, we recognize employees who perform exceptionally in special projects. Additionally, we honor our top talent with the prestigious Chairman Award, the highest recognition within the Company, celebrating our top talent.

By combining these initiatives, we aim to foster a dynamic and inclusive environment that promotes employee engagement, fosters a sense of community, and empowers our team members to actively contribute to the success of the organization. We strive to continually refine and expand these efforts to promote the overall well-being of the organization.

Recruiting and Development Initiatives

Evertec actively aims to draw from the broadest feasible talent pool, regardless of background, and is an equal opportunity employer, committed to hiring the most qualified candidates for available positions. We promote based on merit. The Company

currently offers a hybrid (on site/remote) work environment to most of our workforce, in order to provide flexibility for our employees.

Evertec is dedicated to equipping our employees with the tools they need for career development. Our Evertec University platform offers learning opportunities to our workforce, featuring a curriculum that includes both online courses and external training. As part of our organizational development framework, we have developed a leadership program that includes a 360-degree assessment, feedforward sessions, a leadership on-boarding program and a leadership academy. The Talent Development program identifies emerging leaders within the organization and equips them with training and development opportunities to prepare them as successors for senior management. Aligned with our Wellness core value, as part of our health and wellness educational programs, we offer company wide health and safety educational sessions, with on-site clinics and external health consultations by healthcare professionals.

Our People and Culture values are aligned with our commitment to environmental, social and governance (ESG) principles. For more information, refer to our 2024 ESG Summary available on our website at <https://ir.evertecinc.com/ESG> as well as Vision, Mission and Values section in our most recent proxy statement. Nothing on our website shall be deemed incorporated by reference into this Report.

Government Regulation and Payment Network Rules

Examinations

As a technology service provider to financial institutions, we are also subject to regulatory oversight and examination by the Federal Financial Institutions Examination Council (the “FFIEC”), an interagency body of federal financial regulators that includes the Board of Governors of the Federal Reserve System (known as the Federal Reserve Board). The Federal Deposit Insurance Corporation and the office of the Commissioner of Financial Institutions of Puerto Rico also participate in such examinations by the FFIEC. In addition, independent auditors annually review several of our operations to provide reports on internal controls for our clients’ auditors and regulators. We are also subject to examinations from regulatory bodies in all other regions in which we operate.

Regulatory Reform and Other Legislative Initiatives

The payment card industry is subject to scrutiny from lawmakers and regulators. The Dodd-Frank Wall Street Reform and Protection Act (the “Dodd-Frank Act”) set forth significant structural and other changes to the regulation of the financial services industry, including the establishment of the Consumer Financial Protection Bureau (the “CFPB”). The CFPB has broad supervisory, enforcement and rulemaking authority over consumer financial products and services (including many offered by us and by our clients) and certain bank and non-bank providers of such products and services. In addition, Section 1075 of the Dodd-Frank Act (commonly referred to as the “Durbin Amendment”) imposes restrictions on card networks and debit card issuers. More specifically, the Durbin Amendment provides that the interchange transaction fees that a card issuer or payment network may receive or charge for an electronic debit transaction must be “reasonable and proportional” to the cost incurred by the card issuer in authorizing, clearing, and settling the transaction.

The Durbin Amendment currently has capped debit interchange that an issuer may receive (unless such issuer is otherwise exempt). The Durbin Amendment is subject to revision by the Federal Reserve and any future revisions may lower the maximum interchange fee which could impact our business. In addition, the Federal Reserve could also revise rules requiring that issuers enable at least two unaffiliated payment card networks on their debit cards without regard to authentication method; and prohibiting card issuers and payment card networks from entering into exclusivity arrangements for debit card processing, as well as restricting card issuers and payment networks from inhibiting the ability of merchants to direct the routing of debit card transactions over networks of their choice.

The CFPB is responsible for many of the regulatory functions with respect to consumer financial products and services. In addition to rulemaking authority over several enumerated federal consumer financial protection laws, the CFPB is authorized to issue rules prohibiting unfair, deceptive, or abusive acts or practices in connection with the offering of a consumer financial product or service or any transaction with a consumer for such product or service. The CFPB also has authority to examine supervised entities for compliance with, and to enforce violations of, consumer financial protection laws.

We are subject to the supervision, enforcement, and rulemaking authority of the CFPB as a nonbank and as a service provider to insured depository institutions with \$10 billion or more in total consolidated assets and to larger participants in markets for consumer financial products and services. CFPB rules, examinations and enforcement actions now and as they may be enacted in the future may require us to adjust our activities and may increase our compliance costs.

From time to time, various legislative initiatives are introduced in Congress and state legislatures, and changes in regulations or agency policies, or in the interpretation of such regulations and policies, are proposed by regulatory agencies. Such legislation or changes in regulation could affect our operating environment in substantial and unpredictable ways. If adopted, such legislation or changes in regulation could increase the cost of doing business. We cannot predict whether any such legislation will be enacted, and, if enacted, the effect that it, or any implementing regulations or related policies and guidance, would have on our financial condition or results of operations.

Other Government Regulations

Our services are also subject to a broad range of complex federal, state, and foreign regulation, including privacy laws, international trade regulations, anti-money laundering laws, anti-trust and competition laws, the U.S. Internal Revenue Code, the PR Code, the Employee Retirement Income Security Act, the Health Insurance Portability and Accountability Act and other laws and regulations. Failure of our services to comply with applicable laws and regulations could result in restrictions on our ability to provide such services, as well as the imposition of civil fines and/or criminal penalties. The principal areas of regulation (in addition to the ones described above) that impact our business are described below.

Privacy and Information Security Regulations

We and our financial institution clients are required to comply with various U.S. state, federal and foreign privacy laws and regulations, including those imposed under the Gramm-Leach-Bliley Act of 1999 which applies directly to a broad range of financial institutions and to companies that provide services to financial institutions. These laws and regulations place restrictions on the collection, processing, storage, use and disclosure of certain personal information, require disclosure to individuals of detailed privacy practices and provide them with certain rights to prevent the use and disclosure of protected information. The regulations, however, permit financial institutions to share information with non-affiliated parties who perform services for the financial institutions. These laws also impose requirements for safeguarding personal information through the issuance of data security standards or guidelines. Certain state laws impose similar privacy obligations, as well as, in certain circumstances, obligations to provide notification to affected individuals, states officers and consumer reporting agencies, as well as businesses and governmental agencies that own data, of security breaches of computer databases that contain personal information. In addition, U.S. state and federal government agencies have been contemplating or developing new initiatives to safeguard privacy and enhance data and information security. Some foreign privacy laws may be stricter than those applicable under U.S. federal, state, or Puerto Rican law. The Brazilian General Data Protection Law contains specific provisions and requirements related to the processing, collection, storage and use of personal data of individuals in Brazil. As a provider of services to financial institutions, we are required to comply with applicable privacy and cybersecurity regulations and are bound by the same limitations on disclosure of the information received from our customers as applied to the financial institutions themselves. See “Part I, Item 1A. Risk Factors—Risks Related to Our Business—*We are subject to security breaches or other confidential data theft from our systems, which can adversely affect our reputation and business.*”

Anti-Money Laundering and Office of Foreign Assets Control Regulation

Since we provide data processing services to both foreign and domestic financial institutions, we are required to comply with certain anti-money laundering and terrorist financing laws and economic sanctions imposed on designated foreign countries, nationals, and others. Specifically, our services must adhere to the requirements of the Bank Secrecy Act, as amended by the USA PATRIOT Act of 2001 (collectively, the “BSA”) regarding processing and facilitation of financial transactions, as well as other state, local and foreign laws relating to money laundering. Furthermore, as a data processing company that provides services to foreign parties and facilitates financial transactions between foreign parties, we are obligated to screen transactions for compliance with the sanctions programs administered by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”). These regulations prohibit us from entering into or facilitating a transaction to or from or dealings with specified countries, their governments and, in certain circumstances, their nationals and others, such as narcotics traffickers and terrorists or terrorist organizations designated by the U.S. Government under one or more sanctions regimes.

A major focus of governmental policy in recent years has been aimed at combating money laundering and terrorist financing. Preventing and detecting money laundering and other related suspicious activities at their earliest stages warrants careful monitoring. Anti-money laundering laws impose various reporting and record-keeping requirements concerning currency and other types of monetary instruments. Similar anti-money laundering, counter-terrorist financing and proceeds of crime laws apply to movements of currency and payments through electronic transactions and to dealings with persons specified on lists maintained by organizations similar to OFAC in several other countries and which may impose specific data retention obligations or prohibitions on intermediaries in the payment process. These laws and regulations impose obligations to maintain appropriate policies, procedures, and controls to detect, prevent and report money laundering and terrorist financing

and to verify the identity of their customers. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing, or to comply with all the relevant laws or regulations, could have serious legal and reputational consequences for us. We may also be subject to enforcement actions and as a result may incur losses and liabilities that may impact our business.

Federal Trade Commission Act and Other Laws Impacting our Customers' Business

All persons engaged in commerce, including, but not limited to, us and our merchant and financial institution customers are subject to Section 5 of the Federal Trade Commission Act prohibiting Unfair or Deceptive Acts or Practices ("UDAP"). In addition, there are other laws, rules and/or regulations, including the Telemarketing Sales Act, that may directly impact the activities of our merchant customers and in some cases may subject us, as the merchant's payment processor, to investigations, fees, fines, and disgorgement of funds in the event we are deemed to have aided and abetted or otherwise provided the means and instrumentalities to facilitate the illegal activities of the merchant through our payment processing services. Federal and state regulatory enforcement agencies including the Federal Trade Commission, or FTC, and the states' attorneys general have authority to take action against nonbanks that engage in UDAP or violate other laws, rules, and regulations. To the extent we process payments for a merchant that may be in violation of these laws, rules, and regulations, we may be subject to enforcement actions and as a result may incur losses and liabilities that may impact our business.

Anti-trust and Competition Laws

We are required to comply with various federal, local, and foreign competition and anti-trust laws, including the Sherman Act, Clayton Act, Hart-Scott-Rodino Antitrust Improvements Act, Robinson-Patman Act, Federal Trade Commission Act and Puerto Rico Anti-Monopoly Act. In general, competition laws are designed to protect businesses and consumers from anti-competitive behavior. Competition and anti-trust law investigations can be lengthy, and violations are subject to civil and/or criminal fines and other sanctions for both corporations and individuals that participate in the prohibited conduct. Class action civil anti-trust lawsuits can result in significant judgments, including in some cases, payment of treble damages and/or attorneys' fees to the successful plaintiff. See "Part I, Item 1A. Risk Factors—Risks Related to Our Business—*We are subject to extensive government regulation and oversight. Failure to comply with existing and future rules and regulations in the jurisdiction in which we operate could materially adversely affect the operations of one or more of our businesses in those jurisdictions.*"

Foreign Corrupt Practices Act ("FCPA"), Export Administration and Other

As a data processing company that services both foreign and domestic clients, our business activities in foreign countries, and in particular our transactions with foreign governmental entities, subject us to the anti-bribery provisions of the FCPA, as well as the laws and regulations of the foreign jurisdiction where we operate. Pursuant to applicable anti-bribery laws, our transactions with foreign government officials and political candidates are subject to certain limitations. Finally, in the course of business with foreign clients and subsidiaries, we export certain software and hardware that is regulated by the Export Administration Regulations from the United States to the foreign parties. Together, these regulations place restrictions on who we can transact with, what transactions may be facilitated, how we may operate in foreign jurisdictions and what we may export to foreign countries.

The preceding list of laws and regulations is not exhaustive, and the regulatory framework governing our operations changes continuously. The enactment of new laws and regulations may increasingly affect directly and indirectly the operation of our business, which could result in substantial regulatory compliance costs, litigation expense, loss of revenue, decreased profitability and/or adverse publicity.

Association and Network Rules

Several of our subsidiaries are registered with or certified by card associations and payment networks, including the ATH network, MasterCard, Visa, American Express, Discover and numerous debit and EBT networks as members or as service providers for member institutions in connection with the services we provide to our customers. As such, we are subject to applicable card association and network rules, which could subject us to a variety of fines or penalties that may be levied by the card associations or networks for certain acts and/or omissions by us, our acquirer customers, processing customers and/or merchants. For example, "Contactless" is a credit and debit card authentication methodology that the card associations are mandating to processors, issuers, and acquirers in the payment industry. Compliance deadlines for Contactless mandates vary by country and by payment network. We have invested significant resources and man-hours to develop and implement this methodology in all our payment related platforms. However, we are not certain if or when our financial institution customers will use or accept the methodology and the time it will take for this technology to be rolled-out to all customer ATM and POS devices connected to our platforms or adopted by our card issuing clients. Non-compliance with Contactless mandates could

result in lost business or financial losses from fraud or fines from network operators. We are also subject to network operating rules promulgated by the National Automated Clearing House Association relating to payment transactions processed by us using the Automated Clearing House Network and to various government laws regarding such operations, including laws pertaining to EBT.

Payment Card Industry Data Security Standard

Additionally, we are subject to the Payment Card Industry Data Security Standard (the "PCI DSS"), issued by the Payment Card Industry Security Standards Council. The PCI DSS contains compliance requirements regarding our security surrounding the physical and electronic storage, processing and transmission of cardholder data. Non-compliance with the security standards required by PCI DSS may subject us to fines, restrictions and expulsion from card acceptance programs, which could materially and adversely affect our business.

Geographic Concentration

For the year ended December 31, 2024, 64% of revenues were generated from our business in Puerto Rico, while the remaining 36% was generated from Latin America and the Caribbean. Latin America includes, among others, Costa Rica, México, Guatemala, Colombia, Chile, Uruguay, Brazil, Peru and Panamá. The Caribbean primarily represents the Dominican Republic and the U.S. and British Virgin Islands. See Note 26 to the Audited Consolidated Financial Statements included elsewhere in this Report for additional information related to geographic areas.

Seasonality

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

Available Information

EVERTEC's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and amendments to such reports (if applicable) filed or furnished pursuant to Sections 13(a) or 15(d) of the Exchange Act are available free of charge, through our website, <http://www.evertecinc.com>, as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. In addition, we make available on our website under the heading of "Governance Documents" our: (i) Code of Ethics; (ii) Code of Ethics for Service Providers; (iii) Corporate Governance Guidelines; (iv) the charters of the Audit, Compensation and Nominating and Corporate Governance committees, and we intend to disclose any amendments to the Code of Ethics. The information found on our website is not part of this or any other report we file with, or furnish to, the SEC. The aforementioned reports and materials can also be obtained free of charge upon written request or telephoning to the following address or telephone number:

EVERTEC, Inc.
Cupey Center Building
Road, 176, Kilometer 1.3
San Juan, Puerto Rico 00926
(787) 759-9999

Our filings with the SEC can also be accessed through the SEC's website at <http://www.sec.gov>.

Our Corporate Information

We were incorporated on April 13, 2012 in Puerto Rico under the name Evertec, Inc. Our principal executive offices are located at Cupey Center Building, Road 176, Kilometer 1.3, San Juan, Puerto Rico 00926, and our telephone number is (787) 759-9999.

Item 1A. Risk Factors

Readers should carefully consider, in connection with other information disclosed in this Report, the risks and uncertainties described below. The following discussion sets forth risks that we believe are material to our stockholders and prospective stockholders. The occurrence of any of the following risks might cause our stockholders to lose all or a part of their investment in our Company. Some statements contained in this Report, including statements in the following risk factors section, constitute

forward-looking statements. Please also refer to the section titled “Forward- Looking Statements and Risk Factor Summary” at the beginning of this Report.

Risks Related to Our Business

Our services to Banco Popular, our largest customer, account for a significant portion of our revenues, and we expect that our services to Popular will continue to represent a significant portion of our revenues for the foreseeable future. If Popular were to terminate or fail to make required payments under the A&R MSA, or our other material agreements with Popular, our revenues could be materially reduced and our profitability and cash flows could also be materially reduced, all of which would have a material adverse effect.

For the year ended December 31, 2024, approximately 31% of our revenue was attributable to Banco Popular, a wholly-owned subsidiary of Popular. The A&R MSA by and among Popular, Banco Popular de Puerto Rico and EVERTEC Group, is our most significant client contract, and was amended and restated to include a term ending in 2028. If Popular were to terminate or fail to make required payments under the A&R MSA, or our other material agreements with Popular, our revenues could be materially reduced and our profitability and cash flows could also be materially reduced, all of which would have a material adverse impact on our financial condition and results of operations.

If we are unable to maintain our merchant relationships and our alliance with Popular, our business may be materially adversely affected.

Growth in our merchant acquiring business is derived primarily from acquiring new merchant relationships, new and enhanced product and service offerings, cross selling products and services into existing relationships, the shift of consumer spending to increased usage of electronic forms of payment, and the strength of our existing commercial relationship with Banco Popular. A substantial portion of our business is generated from our Amended and Restated Independent Sales Organization Sponsorship and Services Agreement (the “A&R ISO Agreement”) with Banco Popular, which was amended and restated in July 2022, among other things, to extend its term to end in 2035.

Banco Popular acts as a merchant referral source and provides sponsorship into the ATH, Visa, Discover and MasterCard networks for merchants, as well as card association sponsorship, clearing and settlement services. We provide transaction-processing and related functions. Both we and Popular, as alliance partners, may provide management, sales, marketing, and other administrative services to merchants. Although Banco Popular is not our sole distribution channel, it is the most significant. We rely on the continuing growth of our merchant relationships, which in turn is dependent upon our alliance with Banco Popular and other distribution channels. There can be no guarantee that this growth will continue and the loss or deterioration of these relationships, whether due to the termination of the A&R ISO Agreement or otherwise, could negatively impact our business and result in a material reduction of our revenue and income.

If we are unable to renew or negotiate extensions for our A&R MSA with Popular, A&R ISO Agreement with Banco Popular and A&R ATH Network Participation Agreement with Banco Popular (together with its ATH Support Schedule, the “A&R BPPR ATH Agreement”), or if we are required to provide significant concessions to Popular or Banco Popular to secure extensions or otherwise, our ability to renegotiate our debt, secure additional debt, results of operations, financial condition and trading price of our common stock may be materially adversely affected.

We cannot be certain that we will be able to negotiate an extension to the A&R MSA upon its current expiration date, which is scheduled for 2028. Even if we can negotiate an extension of the A&R MSA, any new master services agreement may be materially different from the existing A&R MSA. Further, Popular may require significant concessions from us with respect to pricing, services, and other key terms, both in respect of the current term and any future extension of the A&R MSA. We regularly discuss with Popular the terms of the A&R MSA and the services we provide Popular thereunder and make modifications to such terms. Any such events may materially and negatively impact our financial condition, results of operations and trading price of our common stock, as well as potentially limit our ability to renegotiate our debt.

Our A&R ISO Agreement with Banco Popular, which sets our merchant acquiring relationship with Popular, includes revenue sharing provisions with Popular. Banco Popular sponsors us as an independent sales organization with respect to certain payment card network and is required to exclusively refer to us any merchant that inquires about the service, requests or otherwise shows interest in merchant and other services. If the A&R ISO Agreement is not renewed, we will have to seek other card association sponsors, we will not benefit from Banco Popular referral of merchants and we may experience the loss of

some merchants if Banco Popular itself enters the merchant acquiring business or agrees to sponsor another independent sales organization. Any of these events may negatively impact our financial condition and results of operations.

Under such agreements, among other things, we provide Banco Popular certain ATM and POS services in connection with our ATH network; we grant a license to use the ATH logo, word mark and associated trademarks; and Banco Popular agrees to support, promote, and market the ATH network and brand and to issue debit cards bearing the symbol of the ATH network. If one or both of the A&R BPPR ATH Agreements are not extended, our ATH brand and network could be negatively impacted, and our financial condition and results of operations also be materially adversely affected.

The A&R MSA, A&R ISO Agreement, and A&R BPPR ATH Agreement, amended and restated in July 2022, have terms ending in 2028, 2035, and 2030, respectively.

Our inability to renew or continue to maintain client contracts on favorable terms or at all may materially adversely affect our results of operations and financial condition.

Our contracts with private clients generally run for a period of one to six years, and usually contain automatic renewal periods. Our government contracts typically run for one year and do not include automatic renewal periods due to government procurement rules and related fiscal funding requirements. Our standard merchant contract has an initial term of up to three years, with automatic one-year renewal periods. At the end of the relevant contract term, clients can renew or renegotiate their contracts with us, but may also decide to engage one of our competitors to provide products and services. If we are not successful in achieving high renewal rates and/or contract terms that are favorable to us, our results of operations and financial condition may be adversely affected.

We also depend on our payment processing clients to comply with their contractual obligations, applicable laws, regulatory requirements and payment card networks rules or standards. A client's failure to comply with any such laws or requirements could force us to declare a breach of contract and terminate the client relationship. The termination of such contracts or relationships, as well as any inability to collect any damages caused, could have a material adverse effect on our business, financial condition, and results of operations. Additionally, any such failure by clients to comply could also result in fines, penalties or obligations imputed to EVERTEC, which could also have a material adverse effect on our business.

We rely on our information technology systems, employees and certain suppliers and counterparties, and certain failures or disruptions in those systems or chains that could materially adversely affect our operations.

We rely on computer systems, hardware, software, technology infrastructure, and online sites for both internal and external operations that are critical to our business (collectively, "IT Systems"). For example, we use our IT Systems to connect with our clients, business partners, people, and others. We own and manage some of these IT Systems, but also rely on third parties for a range of IT Systems and related products and services, including but not limited to cloud computing services. We and certain of our third-party providers also collect, store, transfer, process, and use business, personal, and financial data about our own business, clients, employees, business partners, and others, including information about individuals and proprietary information belonging to our business such as trade secrets.

We face numerous and evolving cybersecurity risks that threaten the confidentiality, integrity, and availability of our IT Systems and data. These cybersecurity risks may arise from diverse threat actors, such as state-sponsored organizations and opportunistic hackers and hacktivists, as well as through diverse attack vectors, such as social engineering/phishing, malware (including ransomware), malfeasance by insiders, human or technological error, and as a result of malicious code embedded in open-source software, or misconfigurations, "bugs" or other vulnerabilities in commercial software that is integrated into our (or our suppliers' or service providers') IT Systems, products or services. Additionally, hardware, applications, or services that we develop or procure from third parties may contain defects in design or manufacture or other problems that could compromise the confidentiality, integrity, or availability of our data or IT Systems. Given the nature of complex systems, software and services like ours and the scanning tools that we deploy, we regularly identify and track security vulnerabilities. We are unable to comprehensively apply patches or mitigating measures for all vulnerabilities at all times or guarantee that patches will be applied before vulnerabilities can be exploited by a threat actor.

Cybersecurity threats and attacks, including computer viruses, malware, hacking, ransomware or other destructive or disruptive software, are constantly evolving and pose a risk to our IT Systems and data. Cybersecurity attacks are expected to accelerate on a global basis in frequency and magnitude as threat actors are becoming increasingly sophisticated in using techniques and tools - including artificial intelligence - that circumvent security controls, evade detection, and remove forensic evidence. As a

result, we may be unable to detect, investigate, remediate, or recover from future attacks or incidents, or to avoid a material adverse impact to our IT Systems, data, or business.

There can also be no assurance that our cybersecurity risk management program and processes, including our policies, controls, or procedures, will be fully implemented, complied with, or effective in protecting our IT Systems and data, and our systems and processes may be unable to prevent material security breaches. Security breaches, improper use of our systems, and unauthorized access to our data and information by employees and others pose a risk that data may be exposed to unauthorized persons or to the public. Such occurrences could adversely affect our business, results of operations, financial position, and reputation, and could result in litigation (including class actions) or regulatory investigations or enforcement actions.

We make extensive use of third-party service providers, including providers that store, transmit and process data. These third-party service providers are also subject to malicious attacks and cybersecurity threats that could adversely affect our business, results of operations, financial condition, and reputation. In addition, because our services are connected to or integrated with some of our customers' systems, the circumvention or failure of our cybersecurity defenses or measures could compromise the confidentiality, integrity, and availability of our customers' own IT Systems and sensitive information.

Many of our services are based on sophisticated software, technology, computing systems, and other IT Systems, and we may encounter delays when developing new technology solutions and services. We and our third-party providers regularly experience cyberattacks and other incidents, and we expect such attacks and incidents to continue in varying degrees. In particular, we have experienced actual and attempted cyber-attacks of our IT Systems, such as through phishing scams, ransomware, exploitation of vulnerabilities in our IT Systems, and other methods of attack. Even though some of these attacks have been successful, none of these actual or attempted cyber-attacks has had a material adverse impact on our operations or financial condition but we cannot guarantee that material incidents will not occur in the future. The IT Systems underlying our services have occasionally contained, and may in the future contain, undetected errors or defects when first introduced or when new versions are released. We may experience difficulties in installing or integrating our IT Systems on platforms used by our customers. For example, in 2024, we identified a cybersecurity incident that exploited a third-party software vulnerability and resulted in unauthorized access to our IT systems that were utilized for servicing certain of our customers. We immediately activated our incident response plan and enlisted the support of third-party cybersecurity forensic experts to assist our team with the investigation. There was no impact on our operations due to the incident, which was swiftly contained and remediated following its detection without any material adverse effect on our operations or financial condition.

Our businesses are dependent on our ability to reliably process, record and monitor a large number of transactions. We settle funds on behalf of financial institutions, other businesses and consumers and process funds transactions from clients, card issuers, payment networks and consumers on a daily basis for a variety of transaction types. Transactions facilitated by us include debit card, credit card, electronic bill payment transactions, ACH payments, electronic benefits transfer ("EBT") transactions and check clearing that supports consumers, financial institutions, and other businesses. These payment activities rely upon technology infrastructure that facilitates the verification of activity with counterparties, the facilitation of the payment and, in some cases, the detection or prevention of fraudulent payments. If any of our financial, accounting, or other data processing systems or applications or other IT Systems fail or experience other significant shortcomings, our ability to serve our clients and accordingly our results of operations could be materially adversely affected. Such failures or shortcomings could be the result of events that are beyond our control, which may include, for example, computer viruses, fires, electrical or telecommunications outages, natural disasters, future disease pandemics or other public health crisis, terrorist acts, political instability, or other unanticipated damage to property or physical assets. Certain of these events may become more frequent or intense as a result of climate change or other environmental or social pressures. For more information, see our risk factor titled "Our operations, business, customers and partners could be adversely affected by climate change or other environmental or social pressures". Any such shortcoming could also damage our reputation, require us to expend significant resources to correct the defect, and may result in liability to third parties, especially since some of our contractual agreements with financial institutions require the crediting of certain fees if our systems do not meet certain specified service levels.

There is also a risk that we may lose critical data or experience IT System failures. We perform the vast majority of disaster recovery operations ourselves, though we utilize select third parties for some aspects of recovery. To the extent we outsource our disaster recovery, we are at risk of the vendor's unresponsiveness in the event of breakdowns in our IT Systems. Our property, business interruption, and cybersecurity insurance may not be adequate to compensate us for all losses or failures that may occur.

We are similarly dependent on our employees to maintain our IT Systems. Our operations could be materially adversely affected if one or more employees cause a significant operational breakdown or failure, either intentionally or as a result of human error. Suppliers and third parties with which we do business could also be sources of operational risk to us, including relating to breakdowns or failures of such parties' own systems or employees. Any of these occurrences could diminish our

ability to operate one or more of our businesses, or result in potential liability to clients, reputational damage and regulatory intervention or fines, any of which could materially adversely affect our financial condition or results of operations.

We are subject to security breaches or other confidential data theft from our systems, which can adversely affect our reputation and business.

As part of our business, we electronically receive, process, store and transmit a wide range of confidential information, including sensitive customer information and personal consumer data, such as names and addresses, social security numbers, driver's license numbers, cardholder data and payment history records, as well as proprietary information belonging to our business or to our business partners (collectively, "Confidential Information"). We also operate payment, cash access and electronic card systems. Attacks on IT Systems continue to grow in frequency, complexity and sophistication, a trend we expect will continue. The objectives of these attacks include, among other things, gaining unauthorized access to systems to facilitate financial fraud, disrupt operations, cause denial of service events, corrupt data, and steal non-public information. Such attacks have become a point of focus for individuals, businesses, and governmental entities.

Unauthorized access to our or third-party IT Systems could result in the theft or publication, the deletion or modification or other compromise to the confidentiality, integrity or availability of Confidential Information and could disrupt successful operations of our businesses. These risks increase when we transmit information over the Internet as our visibility in the global payments industry attracts hackers to conduct attacks on our systems. Our security measures may also be breached due to the mishandling or misuse of Confidential Information; for example, if such information were erroneously provided to parties who are not permitted to have the information, either by employees acting contrary to our policies or as a result of a fault in our systems.

Actual or perceived vulnerabilities or data breaches may lead to claims against us, which may require us to spend significant additional resources to remediate by addressing problems caused by breaches and further protect against security or privacy breaches. Additionally, while we maintain insurance policies specifically for cyber-attacks, our current insurance policies may not be adequate to reimburse us for losses caused by security breaches, and we may not be able to collect fully, if at all, under these insurance policies. A significant security breach, such as loss of credit card numbers or other Confidential Information, could have a material adverse effect on our reputation, expose us to significant liability and result in a loss of customers. Some of our IT Systems have experienced in the past and may experience in the future security breaches and, although they did not have a material adverse effect on our results of operations or reputation, there can be no assurance of a similar result in the future. We cannot assure you that our security measures will prevent security breaches or that failure to prevent them will not have a material adverse effect on our business, results of operations, financial condition, and reputation. Any breaches of network or data security at our customers, partners or vendors could have similar negative effects.

Our ability to recruit, retain and develop qualified personnel is critical to our success and growth.

All our businesses require a wide range of expertise and intellectual capital to adapt to the rapidly changing technological, social, economic and regulatory environments. In order to successfully compete and grow, we must recruit, retain and develop personnel who can provide the necessary expertise across a broad spectrum of intellectual capital needs. In addition, we must develop, maintain and, as necessary, implement appropriate succession plans to assure we have the necessary human resources capable of maintaining continuity in our business and the businesses we acquire, such as Sinqia. The market for qualified personnel is competitive and we may not succeed in recruiting additional personnel or may fail to effectively replace current personnel who depart with qualified or effective successors. In addition, from time to time, there may be changes in our management team that may be disruptive to our business. If our management team, including new hires that we make, fails to work together effectively and to execute our plans and strategies on a timely basis, our business could be harmed. Our effort to retain and develop personnel may also result in significant additional expenses, which could adversely affect our profitability, and may not have the desired effect. We cannot assure that key personnel, including our executive officers, will continue to be employed or that we will be able to attract and retain qualified personnel in the future. Failure to recruit, retain or develop qualified personnel could adversely affect our business, financial condition or results of operations.

Failure to comply with federal, state and foreign laws and regulations relating to data privacy and security, or the expansion of current, or the enactment of new, laws or regulations relating to data privacy and security, could adversely affect our business, financial condition and operating results.

While we are not a direct-to-consumer business, we do collect, process, store, use and share personal data of our employees and business partners, which is governed by a variety of U.S. federal and state and foreign laws and regulations. Laws and

regulations relating to data privacy and security are complex and rapidly evolving and subject to potentially differing interpretations. These requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another or may conflict with other rules or our practices. As we seek to expand our business, we are, and may increasingly become, subject to various laws, regulations, standards, and contractual obligations relating to data privacy and security in the jurisdictions in which we operate.

Certain states in the United States and most countries where we conduct our business have adopted privacy and security laws that may apply to our business. These laws generally require companies to implement specific privacy and information security controls and legal protections to protect certain types of personal information and to collect or use it subject to disclosures. Additional compliance investment and potential business process changes may continue to be required as these laws and others go into effect. Further, in order to comply with the varying state laws around data breaches, we must maintain adequate security measures, which require significant investments in resources and ongoing attention. Additionally, our customers and business partners are imposing more stringent obligations on us in the form of contracts regarding privacy and information security. Laws, rules and regulations relating to privacy and data security are, in some cases, relatively new and the interpretation and application of these laws are uncertain.

Despite our efforts, our practices may not comply, now or in the future, with all such laws, regulations, requirements, and obligations. Any failure, or perceived failure, by us to comply with our posted privacy and security-related policies or with any current or future federal or state data privacy or security-related laws, regulations, regulatory guidance, orders, or other legal obligations relating to privacy or security could adversely affect our reputation, brand and business, and may result in claims, proceedings, or actions against us by governmental entities, expose us to liabilities, or require us to change our operations and/or cease using certain data sets, and may otherwise adversely affect our financial condition and operating results. We have historically been and may continue in the future to be contractually required to indemnify and hold harmless third parties from the costs or consequences of non-compliance with any laws, regulations, or other legal obligations relating to privacy or security or any inadvertent or unauthorized use or disclosure of data that we store or handle as part of operating our business, which could result in a material adverse effect on our business.

Fraud by merchants or others could adversely affect our business, financial condition or results of operations.

Under certain circumstances, we may be liable for certain fraudulent transactions and/or credits initiated by merchants or others. For instance, if we were to process payments for a merchant that engaged in unfair or deceptive trade practices, we may be subject to certain fines or penalties. Examples of merchant fraud include merchants or other parties knowingly using a stolen or counterfeit credit, debit or prepaid card, card number, or other credentials to record a false sales or credit transaction, processing an invalid card, selling goods or services that are considered forbidden by the payment card networks, or intentionally failing to deliver the merchandise or services sold in an otherwise valid transaction. Criminals and other misfeasors are using increasingly sophisticated methods to engage in forbidden and/or illegal activities such as counterfeiting and fraud. A single significant incident of fraud, or increases in the overall level of fraud, involving our services, could result in reputational damage to us, which could reduce the use and acceptance of our solutions and services or lead to greater regulation that would increase our compliance costs. Failure to effectively manage risk and prevent fraud could increase our chargeback liability or cause us to incur other liabilities, and our insurance coverage may be insufficient or inadequate to compensate us. It is possible that incidents of fraud could increase in the future. Increases in chargebacks or other liabilities could adversely affect our business, financial condition or results of operations.

We are subject to the credit risk that our merchants will be unable to satisfy obligations for which we may also be liable.

We are subject to the credit risk of our merchants being unable to satisfy obligations for which we also may be liable. For example, as the merchant acquirer, we are contingently liable for transactions originally acquired by us that are disputed by the cardholder and charged back to the merchants. For certain merchants, if we are unable to collect amounts paid to cardholders in the form of refunds or chargebacks from the merchant, we bear the loss for those amounts. A default on payment obligations by one or more of our merchants could have a material adverse effect on our business.

Our ability to adopt technology to changing industry and customer needs or trends may affect our competitiveness or demand for our products, which may adversely affect our results of operations.

Changes in technology may limit the competitiveness of and demand for our services. Our businesses operate in industries that are subject to technological advancements, developing industry standards and changing customer needs and preferences. Our business strategy may not effectively respond to these changes, and we may fail to recognize and position ourselves to capitalize upon market opportunities. Also, our customers continue to adopt new technology for business and personal uses. We

must anticipate and respond to these industry and customer changes in order to remain competitive within our relative markets. Doing so has historically required and will continue to require significant investment of resources in anticipating and adapting to such changes in technology. Our inability to respond to new competitors and technological advancements could impact all of our businesses. For example, the inability to adopt technological advancements surrounding POS technology otherwise generally available to merchants could have a material and adverse impact on our merchant acquiring business.

Our use of artificial intelligence and machine learning tools may subject us to additional risks and may adversely impact our reputation and the performance of our products, service offerings and business.

We currently use machine learning, artificial intelligence (“AI”), and automated decision-making technologies, including proprietary AI and machine learning algorithms throughout our business, and are making significant investments to continuously improve our use of such technologies. Our research and development of such technology remains ongoing, and AI presents numerous risks and challenges that could adversely affect our business. If we fail to keep pace with rapidly evolving AI technological developments, especially in the financial technology sector, our competitive position and business results may suffer.

AI and machine-learning models require training on datasets prior to production use, and in some instances, AI algorithms or training methodologies may be flawed. Datasets may be overbroad, insufficient, or contain biased information. Training on incomplete, inadequate, inaccurate, biased or otherwise poor quality data may result in models failing to provide acceptable results. Content generated by AI systems also may be offensive, illegal, or otherwise harmful. Further, such content may appear correct but is factually inaccurate, misleading or otherwise flawed, or that results in unintended biases and discriminatory outcomes, which could negatively impact our users, harm our reputation and business, and expose us to liability. Ineffective or inadequate AI development or deployment practices by us or others could result in incidents that impair the acceptance of AI solutions or cause harm to individuals, users, or society, or result in our products and services not working as intended. Human review of certain outputs may be required. Our implementation of AI systems could result in legal liability, regulatory action, brand, reputational, or competitive harm, or other adverse impacts that could adversely affect our business, financial condition, cash flows and results of operations.

In addition, certain AI and machine-learning models that we utilize may incorporate data and inputs from third-party sources. If third parties allege that our AI and machine learning models violate copyright law, or that our use of training data violates applicable law or the rights of a third party, we may be subject to legal liability or we may be forced to retrain our models or different datasets, which could result in unexpected costs, and adversely affect the availability of our offerings, their reliability, or otherwise make them less useful for their intended uses.

The regulatory framework governing the use of AI and machine learning technology is rapidly evolving, and we cannot predict how future legislation and regulation will impact our ability to offer products or services that we develop which leverage artificial intelligence and machine learning technology.

Our business relies on machine learning, AI, and automated decision-making technologies. The regulatory framework for AI and machine learning technology is rapidly evolving, and many federal, state, and foreign governments have introduced or are currently considering new laws and regulations relating to such technology. As a result, implementation standards and enforcement practices are also likely to remain uncertain for the foreseeable future, and we cannot determine the impact future laws, regulations, or standards may have on our business, or how best to respond to them in future.

Any failure or perceived failure by us to comply with AI technology-related laws, rules, and regulations could result in proceedings or actions against us by individuals, consumer rights groups, government agencies, or others. We could incur significant costs in investigating and defending such claims and, if found liable, pay significant damages or fines or be required to make changes to our business. Further, these proceedings and any subsequent adverse outcomes may subject us to significant negative publicity, and an erosion of trust. Moreover, it is possible that new laws and regulations will be adopted in the United States and in other non-U.S. jurisdictions, or that existing laws and regulations, including competition and antitrust laws, may be interpreted in ways that would limit our ability to use AI and machine learning technologies for our business, or require us to change the way we use AI and machine learning technologies in a manner that negatively affects our businesses. If any of these events were to occur, our business, financial condition, cash flows and results of operations could be materially adversely affected.

Consolidations in the banking and financial services industry could adversely affect our revenues by eliminating existing or potential clients and making us more dependent on a more limited number of clients.

There have been a number of mergers and consolidations in the banking and financial services industry. Mergers and consolidations of financial institutions reduce our number of clients and potential clients, which could adversely affect our revenues. Further, if our clients fail or merge with or are acquired by other entities that are not our clients, or that use fewer of our services, they may discontinue or reduce their use of our services. It is also possible that the larger banks or financial institutions resulting from mergers or consolidations would have greater leverage to negotiate terms less favorable to us or could decide to perform in-house some or all of the services which we currently provide or could provide. Any of these developments could have a material adverse effect on our business, financial condition, and results of operations.

There may be a decline in the use of cards as a payment mechanism for consumers or adverse developments with respect to the card industry in general.

If the number of electronic and digital payment transactions of the type we process does not continue to grow, if there are other, more attractive emerging means of payments or if businesses or consumers discontinue adopting our services, it could have a material adverse effect on the profitability of our business, financial position, and results of operations. We believe future growth in the use of credit, debit and other electronic and digital payments will be driven by the cost, ease-to-use, availability, and quality of products and services offered to customers and businesses. So that we may consistently increase and maintain our profitability, businesses and consumers must continue to use electronic and digital payment methods that we process, including credit and debit cards. Consumer preference has accelerated the shift away from cash and paper payment methods, with increased demand for omni-channel payment services that facilitate cashless and contactless transactions. If consumers and businesses discontinue the use of credit, debit or prepaid cards as a payment mechanism for their transactions or if there is a change in the mix of payments between cash, alternative currencies and technologies, it could have a material adverse effect on our business, results of operations and financial condition.

Changes in payment card network or other network rules or standards could adversely affect our business.

In order to provide our transaction-processing services, several of our subsidiaries are registered with or certified by Visa, Discover and MasterCard and other networks as members or as third-party providers for member institutions. As such, we and many of our customers are subject to payment card network rules that could subject us or our customers to a variety of fines or penalties that may be levied by the networks for certain acts or omissions by us, acquirer customers, processing customers and merchants. Visa, Discover, MasterCard and other networks, some of which are our competitors, set the standards with which we must comply. The termination of Banco Popular's or our subsidiaries' member registration or our subsidiaries' status as a registered and certified third party service provider, or any changes in payment network rules or standards, including interpretation and implementation of the rules or standards, that increase the cost of doing business or limit our ability to provide transaction-processing services to or through our customers, could have an adverse effect on our business, results of operations and financial condition.

Additionally, we are subject to the Payment Card Industry's Data Security Standards ("PCI DSS"), promulgated by the Payment Card Industry Security Standards Council. The PCI DSS contains compliance requirements regarding our security surrounding the physical and electronic storage, processing, and transmission of cardholder data. If we or our service providers are unable to comply with the security standards required by PCI DSS, we may be subject to fines, restrictions, and expulsion from card acceptance programs, which would materially and adversely affect our business. Additionally, costs and potential problems and interruptions associated with the implementation of new or upgraded IT Systems such as those necessary to maintain compliance with the PCI DSS or with maintenance or adequate support of existing systems could also disrupt or reduce the efficiency of our operations. Any material interruptions or failures in our payment related systems could have a material adverse effect on our business, financial condition and results of operations.

Changes in interchange fees charged by payment card networks could increase our costs or otherwise materially adversely affect our business.

From time to time, payment card networks change interchange, processing, and other fees, which could impact our merchant acquiring and payment services businesses. Competitive pressures could result in our merchant acquiring and payment services businesses absorbing a portion of such increases in the future, which would increase our operating costs, reduce our profit margin, and adversely affect our business, results of operations and financial condition. There is currently proposed federal (and state) legislation that, if implemented, may impact credit card interchange and, as a result, impact our business.

We are subject to extensive government regulation and oversight. Failure to comply with existing and future rules and regulations in the jurisdictions in which we operate could materially adversely affect the operations of one or more of our businesses in those jurisdictions.

Our business is subject to the laws, rules, regulations, and policies in the jurisdictions in which we operate, as well as the legal interpretation of such regulations by administrative bodies and the judiciary of those jurisdictions. The expansion of our business may also result in increased regulatory oversight and enforcement, as well as any claims by regulatory agencies and courts that we are required to obtain licenses to engage in certain business activity.

Enforcement of, failure, or perceived failure to comply with laws, rules, regulations, policies, or licensing requirements could result in criminal or civil lawsuits, penalties, fines, regulatory investigations, forfeiture of significant assets, an outright or partial restriction on our operations, enforcement in one or more jurisdictions, additional compliance and licensure requirements, reputational damage and force us to change the way we or our users do business. Any changes in our or our users' business methods could increase cost or reduce revenue.

The laws, rules, regulations, and policies in the markets in which we operate include, but are not limited to, privacy and user data protection, banking, money transmission, antitrust, anti-money laundering and the export, re-export, and re-transfer abroad of covered items. In addition, our operations in most of the countries where we operate are subject to risks related to compliance with the U.S. Foreign Corrupt Practices Act and other applicable U.S. and other local laws prohibiting corrupt payments to government officials and other third parties.

Privacy and Data Protection

Our business relies on the processing of data in multiple jurisdictions and the movement of data across national borders. Legal requirements relating to the collection, storage, handling, use, disclosure, transfer, and security of personal data continues to evolve, and regulatory scrutiny in this area is increasing around the world. Significant uncertainty exists as privacy and data protection laws may differ from country to country and may create inconsistent or conflicting requirements. Our ongoing efforts to comply with privacy, cybersecurity, and data protection laws may entail expenses, may divert resources from other initiatives and projects, and could limit the service we are able to offer. Enforcement actions and investigations by regulatory authorities related to data security incidents and privacy actions or investigations could damage our reputation and impact us through increased costs or restrictions on our business, and noncompliance could result in regulatory penalties and significant legal liability.

Although we make reasonable efforts to comply with all applicable data protection laws and regulations, our interpretations and efforts may have been or may prove to be insufficient or incorrect. We also make public statements about our use and disclosure of personal information through our privacy policy, information provided on our website and other public statements. Although we endeavor to ensure that our public statements are complete, accurate and fully implemented, we may at times fail to do so or be alleged to have failed to do so. We may be subject to potential regulatory or other legal action if such policies or statements are found to be deceptive, unfair or misrepresentative of our actual practices. In addition, from time to time, concerns may be expressed about whether our products and services compromise the privacy of our customers and others. Any concerns about our data privacy and security practices (even if unfounded), or any failure, real or perceived, by us to comply with our posted privacy policies or with any legal or regulatory requirements, standards, certifications or orders or other privacy or consumer protection-related laws and regulations applicable to us, could cause our customers, riders and users to reduce their use of our products and services.

Banking

In general, financial institution regulators require their supervised institutions to cause their service providers to agree to certain terms and to agree to supervision and oversight by applicable financial regulators, primarily to protect the safety and soundness of the financial institution. We have agreed to such terms and provisions in many of our service agreements with financial institutions.

We and our customers are also generally subject to U.S. federal, Puerto Rico and other countries' laws, rules and regulations that affect the electronic payments industry, including with respect to activities in the countries where we operate and due to our relationship with customers that are subject to banking and financial regulation, including Popular.

Regulation of the electronic payment card industry has increased significantly in recent years. There is also continued scrutiny by the U.S. Congress of the manner in which payment card networks and card issuers set various fees. Banking regulators have been strengthening their examination guidelines with respect to relationships between banks and their third-party service providers, such as us. Any such heightened supervision of our relationship with our banking and financial services customers, including Popular, could have an effect on our contractual relationship with our customers as well as on the standards applied in the evaluation of our services. See “Part I, Item 1. Business- Government Regulation and Payment Network Rules- Regulatory Reform and Other Legislative Initiatives.”

Export

We are also subject to the Export Administration Regulations (“EAR”), which regulates the export, re-export and re-transfer abroad of covered items made or originating in the United States as well as the transfer of covered U.S.-origin technology abroad. There can be no assurance that we have not violated the EAR in past transactions or that our new policies and procedures will prevent us from violating the EAR in every transaction in which we engage. Any such violations of the EAR could result in fines, penalties or other sanctions being imposed on us, which could negatively affect our business, results of operations and financial condition.

Some financial institutions refuse, even in the absence of a regulatory requirement, to provide services to companies operating in certain countries or engaging in certain practices because of concerns that the compliance efforts perceived to be necessary may outweigh the usefulness of the service relationship. Our operations outside the United States make it more likely that financial institutions may refuse to conduct business with us for this type of reason. Any such refusal could negatively affect our business, results of operations and financial condition.

We and our subsidiaries conduct business with financial institutions and/or card payment networks operating in countries whose nationals, including some of our customers, engage in transactions in countries that are the target of U.S. economic sanctions and embargoes, including Cuba. As a U.S.-based entity, we and our subsidiaries are obligated to comply with the economic sanctions regulations administered by OFAC. These regulations prohibit U.S.-based entities from entering into or facilitating unlicensed transactions with, for the benefit of, or in some cases involving the property and property interests of, persons, governments, or countries designated by the U.S. government under one or more sanctions regimes. Various state and municipal governments, universities and other investors maintain prohibitions or restrictions on investments in companies that do business involving sanctioned countries or entities.

Because we process transactions on behalf of financial institutions through the payment networks, we have processed a limited number of transactions potentially involving sanctioned countries and there can be no assurances that, in the future, we will not inadvertently process such transactions. Due to a variety of factors, including technical failures and limitations of our transaction screening process, conflicts between U.S. and local laws, political or other concerns in certain countries in which we and our subsidiaries operate, and/or failures in our ability to effectively control employees operating in certain non-U.S. subsidiaries, we have not rejected every transaction originating from or otherwise involving sanctioned countries, or persons and there can be no assurances that, in the future, we will not inadvertently fail to reject such transactions.

Antitrust

Due to our ownership of the ATH network and our merchant acquiring and payment services business in Puerto Rico, we are involved in a significant percentage of the debit and credit card transactions conducted in Puerto Rico each day. We have in the past been subject to regulatory investigations and any future regulatory scrutiny of, or regulatory enforcement action in connection with, compliance with U.S. state and federal antitrust requirements could potentially have a material adverse effect on our reputation and business. In addition, we are subject to applicable antitrust requirements in each of the countries in which we operate. All of these laws and requirements may affect potential acquisitions in the relevant jurisdictions.

ESG Regulatory Developments

The recent emphasis on environmental, social and other sustainability matters has resulted and may continue to result in the adoption of new laws and regulations, including new reporting requirements. For example, various policymakers have adopted (or are considering adopting) requirements for the disclosure of certain climate-related information or other environmental, social and governance (“ESG”) disclosures. Compliance with environmental, social and other sustainability laws, regulations, expectations or reporting requirements may result in increased compliance costs, as well as additional scrutiny. It is possible that other types of environmental and social regulations, for example regulations regarding the use of energy or water or

regulations regarding human capital management matters, may also result in increased costs. Moreover, such requirements are not uniform across jurisdictions, and may be inconsistently applied or enforced in any given jurisdiction, which can increase the complexity and cost of compliance, and increase the risk of enforcement or litigation relating to our ESG disclosures and initiatives. If we fail to comply with new laws, regulations, expectations or reporting requirements, or if we are perceived as failing, our reputation and business could be adversely impacted. Any reputational damage associated with ESG factors may also adversely impact our ability to recruit and retain employees and customers.

We are subject to a series of risks associated with scrutiny of environmental, social, and sustainability matters.

Companies across industries are facing increasing scrutiny from a variety of stakeholders and policymakers related to their ESG practices, such as climate change and human capital matters. For example, various groups produce ESG scores or ratings based at least in part on a company's ESG disclosures, and certain market participants, including institutional investors and capital providers, use such ratings to assess companies' ESG profiles. Unfavorable perceptions of our ESG performance could negatively impact our business, whether from a reputational perspective, through a reduction in interest in purchasing our stock or products, issues in attracting/retaining employees, customers and business partners, or otherwise. Simultaneously, there are efforts by some stakeholders to reduce companies' efforts on certain ESG-related matters. Both advocates and opponents to certain ESG matters are increasingly resorting to a range of activism forms, including media campaigns and litigation, to advance their perspectives. To the extent we are subject to such activism, it may require us to incur costs or otherwise adversely impact our business.

While we have engaged in, and expect to continue to engage in, certain voluntary initiatives (such as voluntary disclosures, certifications, or goals) to improve the ESG profile of our company and/or products or respond to stakeholder concerns, such initiatives may be costly and may not have the desired effect. Expectations around companies' management of ESG matters continue to evolve rapidly, in many instances due to factors that are out of our control. For example, our actions or statements that we may make based on expectations, assumptions, or third-party information that we currently believe to be reasonable may subsequently be determined to be erroneous or not in keeping with best practice. There are also increasing regulatory expectations for ESG matters. Stakeholder, including policymaker, expectations vary and, at times, conflict; any failure (or perceived failure) to appropriately address ESG matters or successfully navigate stakeholder expectations may result in various adverse impacts, including reputational damage and potential stakeholder engagement and/or litigation. This and other stakeholder expectations will likely lead to increased costs as well as scrutiny that could heighten all of the risks identified in this risk factor. Additionally, many of our customers, business partners, suppliers, and other stakeholders may be subject to similar expectations, which may augment or create additional risks, including risks that may not be known to us.

Puerto Rico's fiscal crisis could have a material adverse effect on our business and the trading price of our common stock.

For the years ended December 31, 2024 and 2023, approximately 64% and 73%, respectively, of our total revenues were generated from our operations in Puerto Rico. Some revenues that are generated from our operations outside Puerto Rico are dependent upon our operations in Puerto Rico. As a result, our financial condition and results of operations are highly dependent on the economic and political conditions in Puerto Rico, and could be significantly impacted by adverse economic or political developments in Puerto Rico, including adverse effects on the trading price of our common stock, our customer base, general consumer spending and the timeliness of the government's payments, thus increasing our government accounts receivable, and potentially impairing the collectability of those accounts receivable. As of December 31, 2024, we had net receivables of \$10.7 million from the Government and certain public corporations.

Puerto Rico's economy, including the ongoing financial crisis and the effects of potential natural disasters, including weather events connected to climate change, or future disease pandemics or other public health crises, could have a prolonged negative impact on the countries and markets in which we operate and, as a result, could have a material adverse effect on our business and results of operations.

Puerto Rico's location in the Caribbean exposes the island to increased risk of hurricanes and other severe tropical weather conditions and natural disasters. Hurricanes and other natural disasters including earthquakes and wildfires, and their potential aftermaths, such as widespread power outages in Puerto Rico, damage to infrastructure and communications networks, and the temporary cessation and slow pace of reestablishment of regular day-to-day commerce, may severely impact the economies of Puerto Rico and the Caribbean more generally. These events have accelerated and could continue to accelerate the ongoing emigration trend of Puerto Rico residents to the United States. Prolonged delays in the repairs to the island's infrastructures, decline in business volumes, insufficient federal recovery and rebuilding assistance and any other economic declines due to natural disasters and their aftermaths may impact the demand for our services and could have a material adverse effect on our business and results of operations. Additionally, future pandemics or any other public health crises may materially adversely

affect our business, results of operations and financial condition, similar to or beyond those disruptions and operational consequences that we experienced in connection with the COVID-19 pandemic. Prolonged economic uncertainties could limit our ability to grow our business and negatively affect our operating results. Moreover, the global electronic payments industry and the banking and financial services industries depend heavily upon the overall levels of consumer, business and government spending. Adverse economic conditions could result in a decrease in consumers' use of banking services and financial service providers resulting in significant decreases in the demand for our products and services which could adversely affect our business and operating results.

As a result of Puerto Rico's high cost of electricity and governmental financial crisis, businesses may be reluctant to establish or expand their operations in Puerto Rico and the Caribbean, or might consider closing operations currently in such locations. If companies in the financial services and related industries decide not to commence new operations or not to expand their existing operations in Puerto Rico, or consider closing operations in Puerto Rico, the demand for our services could be negatively affected.

Our operations, business, customers and partners could be adversely affected by climate change or other environmental or social pressures.

There are increasing and rapidly evolving concerns over the risks of climate change and related environmental sustainability matters. Our operations, business, customers and partners could be adversely affected by climate change or other environmental or social pressures. The physical risks of climate change include rising average global temperatures, changing weather and hydrological patterns, rising sea levels and an increase in the frequency and severity of extreme weather events and natural disasters. Such events and disasters could disrupt our operations or the operations of customers or third parties on which we rely and could result in market volatility. Additionally, we may face risks related to the transition to a low-carbon economy. We have historically and could continue to experience increased expenses resulting from strategic planning, litigation and changes to our technology, operations, products and services, access to energy and water, as well as reputational harm as a result of negative public sentiment, regulatory scrutiny and reduced stakeholder confidence, due to our response to climate change or real or perceived vulnerability to climate change-related risks. Changes in consumer preferences, travel patterns and legal requirements could increase expenses or otherwise adversely impact our business, customers and partners.

We are exposed to risks associated with our presence in international markets, including global political, social and economic instability.

Our financial performance and results of operations may be adversely affected by general economic, political, and social conditions and uncertainty in the international markets in which we operate. Many countries in Latin America have suffered significant political, social and economic crises in the past and these events may occur again in the future. Instability in Latin America has been caused by many different factors, including (i) exposure to foreign exchange variation, (ii) significant governmental influence over local economies; (iii) substantial fluctuations in economic growth; (iv) instability in the banking sector and high inflation levels or domestic interest rates; (v) wage, price or exchange controls, or restrictions on expatriation of earnings; (vi) changes in governmental economic or tax policies or unexpected changes in regulation which may restrict the movement of funds or results in the deprivation of contract or property rights; (vii) imposition of trade barriers; (viii) terrorist attacks and other acts of violence or war; (ix) high unemployment; and (x) overall political, social, and economic disruptions. Any of these events in the markets in which we operate could result in a material adverse impact on our customers and our business. Further, changes in laws or policies governing the terms of foreign trade, and in particular increased trade restrictions, tariffs or taxes on imports or exports from or to countries where the Company operates, may affect the Company's business.

Failure to protect our intellectual property rights and defend ourselves from potential intellectual property infringement claims may diminish our competitive advantages or restrict us from delivering our services, which could result in a material and adverse impact on our business operations.

Our trademarks, proprietary software, and other intellectual property, including technology/software licenses, are important to our future success. Limitations or restrictions on our ability to use such marks or a diminution in the perceived quality associated therewith could have an adverse impact on the growth of our businesses. It is possible that others will independently develop the same or similar software or technology, which would permit them to compete with us more efficiently.

Unauthorized parties may attempt to copy or misappropriate certain aspects of our services, infringe upon our rights, or to obtain and use information that we regard as proprietary. Policing such unauthorized use of our proprietary rights is often very difficult and, therefore, we are unable to guarantee that the steps we have taken will prevent misappropriation of our proprietary software/technology or that the agreements entered into for that purpose will be effective or enforceable in all instances. Misappropriation of our intellectual property or potential litigation concerning such matters could have a material adverse effect

on our results of operations or financial condition. Our registrations and/or applications for trademarks, copyrights, and patents could be challenged, invalidated, or circumvented by others and may not be of sufficient scope or strength to provide us with maximum protection or meaningful advantage. Managing any such challenges, even if they lack merit, could: (i) be expensive and time-consuming to defend; (ii) cause us to cease making, licensing, or using software or applications that incorporate the challenged intellectual property; (iii) require us to redesign our software or applications, if feasible; (iv) divert management's attention and resources; and (v) require us to enter into royalty or licensing agreements in order to obtain the right to use necessary technologies. The laws of certain foreign countries in which we do business or contemplate doing business in the future may not protect intellectual property rights to the same extent as do the laws of the United States or Puerto Rico. Adverse determinations in judicial or administrative proceedings related to intellectual property or licenses could prevent us from selling our services and products or prevent us from preventing others from selling competing services, impose liability costs on us, or result in a non-favorable settlement, all of which could result in a material adverse effect on our business, financial condition and results of operations.

Assertions by third parties of infringement or other violations by us of their intellectual property rights, whether or not correct, could result in significant costs and harm our business and operating results.

Third parties have and may in the future assert claims of infringement, misappropriation or other violations of intellectual property rights against us. They may also assert such claims against our customers or reseller partners, whom we typically indemnify against claims that our products and services infringe, misappropriate, or otherwise violate the intellectual property rights of third parties. If we were found to be infringing a third party's rights and are unable to provide a sufficient workaround, we may need to negotiate with holders of those rights to obtain a license to those rights or otherwise settle any infringement claim as a party that makes a claim of infringement against us may obtain an injunction preventing us from shipping products containing the allegedly infringing technology. As the number of products and competitors in our market increase and overlaps occur, claims of infringement, misappropriation and other violations of intellectual property rights may increase. Any claim of infringement, misappropriation or other violation of intellectual property rights by a third party, even those without merit, could cause us to incur substantial costs defending against the claim and could distract our management from our business.

Future assertions of patent rights by third parties, and any resulting litigation, may involve patent holding companies or other adverse patent owners who have no relevant product revenues and against whom our own patents may therefore provide little or no deterrence or protection. There can be no assurance that we will not be found to infringe or otherwise violate any third-party intellectual property rights or to have done so in the past.

Any events of such nature could seriously harm our business, financial condition, and results of operations. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our ordinary shares. We expect that the occurrence of infringement claims is likely to grow as the market for our products and solutions grows. Accordingly, our exposure to damages resulting from infringement claims could increase and this could further exhaust our financial and management resources.

We incorporate technology and components from third parties into our products, and our inability to obtain or maintain rights to such technology could harm our business.

We incorporate technology and software from third parties into our products. We cannot be certain that our vendors and licensors are not infringing the intellectual property rights of third parties or that the vendors and licensors have sufficient rights to the software and technology in all jurisdictions in which it may sell our products. If we are unable to obtain or maintain rights to any of this software or technology because of intellectual property infringement claims brought by third parties against our vendors and licensors or against us, or if we are unable to continue to obtain such software and technology or enter into new agreements on commercially reasonable terms, our ability to develop and sell products, subscriptions and services containing such software and technology could be severely limited, and our business could be harmed. Further, disputes with vendors and licensors over uses or terms could result in the payment of additional royalties or penalties by us, cancellation or non-renewal of the underlying license or litigation. Any such event could have a material and adverse impact on our business, financial condition, and results of operation. Additionally, if we are unable to obtain necessary software or technology from third parties, we may be forced to acquire or develop alternative software and technology, which may require significant time, cost and effort and may be of lower quality or performance standards. This would limit or delay our ability to offer new or competitive products and increase our costs. If alternative software or technology cannot be obtained or developed, we may not be able to offer certain functionality as part of our products, subscriptions and services. As a result, our margins, market share and results of operations could be significantly harmed.

Our use of "open source" software could subject our proprietary software to general release, negatively affect our ability to offer our products and subject us to possible litigation.

We have used "open source" software ("OSS") in connection with the development and deployment of some of our software products, and we expect to continue to use OSS in the future. Certain OSS licenses may give rise to requirements to disclose or license our proprietary source code or make available any derivative works or modifications of the OSS on unfavorable terms or at no cost, and we may be subject to such terms if we combine, link or otherwise integrate our proprietary software with OSS in certain ways. The terms of many OSS licenses to which we are subject have not been interpreted by U.S. or foreign courts, and there is a risk that OSS licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide or distribute our products or services.

If we were found to be non-compliant with any OSS license terms, third parties could claim ownership of, or demand release of, the OSS or derivative works that we developed using such software, which could include our proprietary source code, or could otherwise seek to enforce the terms of the applicable OSS license, which could subject us to certain requirements, including requirements that we offer our software that incorporates or links to the OSS at a reduced cost or for free, or that we make available the proprietary source code for such software, which we consider to be a trade secret, to the general public. Any such claim could result in costly litigation and could require us to make our software source code freely available, purchase a costly license or cease offering the implicated products or services unless and until we can re-engineer them to avoid infringement, which may be a costly and time-consuming process. In any such event, we could be required to seek licenses from third parties and pay royalties in order to continue using the OSS necessary to operate our business or we could be required to discontinue use of our services and other software in the event re-engineering cannot be accomplished on a timely basis. Any of the foregoing could require us to devote additional research and development resources to re-engineer our services, could result in user dissatisfaction, could allow our competitors to create similar platforms with lower development effort and time and may adversely affect our business, financial condition, cash flows and results of operations. Moreover, any actual or claimed requirement to disclose our proprietary source code or pay damages for breach of contract could harm our business and could help third parties, including our competitors, develop products and services that are similar to or better than ours.

While we monitor our use of OSS and try to ensure that none is used in a manner that would require us to disclose our proprietary source code or that would otherwise breach the terms of an open source agreement, we cannot guarantee that we will be successful, that all OSS is reviewed prior to use in our products, that our developers have not incorporated OSS into our products that we are unaware of or that they will not do so in the future.

In addition to risks related to license requirements, use of certain OSS carries greater technical and legal risks than does the use of third-party commercial software. To the extent that our products depend upon the successful operation of OSS, any undetected errors or defects in OSS that we use could prevent the deployment or impair the functionality of our systems and injure our reputation. In addition, the public availability of such software may make it easier for others to compromise our products. Any of the foregoing risks could materially and adversely affect our business, financial condition, and results of operations.

Confidentiality arrangements with employees and others may not adequately prevent disclosure of trade secrets and other proprietary information.

We have devoted substantial resources to the development of our technology, business operations and business plans. In order to protect our trade secrets and proprietary information, we rely in significant part on confidentiality arrangements with our employees, licensees, independent contractors, advisors, suppliers, reseller partners, and customers. Despite these efforts, these arrangements may not be effective to prevent disclosure of confidential information, including trade secrets, and may not provide an adequate remedy in the event of unauthorized disclosure of confidential information. Unauthorized parties may also attempt to copy or reverse engineer certain aspects of our technologies that we consider proprietary. In addition, if others independently develop equivalent knowledge, methods, and know-how, we would not be able to assert trade secret rights against such parties. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary information will be effective.

If EVERTEC Group does not comply with the terms of its preferential tax exemption grant, it may be subject to reduction of the benefits of the grant, tax penalties, other payment obligations or full revocation of the grant, which could have a material adverse effect on our financial condition, results of operations and our stock price.

EVERTEC Group has a tax exemption grant under the Tax Incentive Act No. 73 of 2008 from the Government of Puerto Rico. Under this grant, EVERTEC Group will benefit from a preferential income tax rate of 4% on industrial development income, as

well as from tax exemptions with respect to its municipal and property tax obligations for certain activities derived from its data processing operations in Puerto Rico. The grant has a term of 15 years effective as of January 1, 2012 with respect to income tax obligations and July 1, 2013 and January 1, 2013 with respect to municipal and property tax obligations, respectively.

The grant contains customary commitments, conditions, and representations that EVERTEC Group is required to comply with in order to maintain the grant. The more significant commitments include: (i) maintaining at least 750 employees in EVERTEC Group's Puerto Rico data processing operations during 2012 and at least 700 employees for the remaining years of the grant, (ii) investing at least \$200.0 million in building, machinery, equipment or computer programs to be used in Puerto Rico during the effective term of the grant (to be made over four year capital investment cycles in \$50.0 million increments), (iii) an additional best efforts capital investments requirement of \$75.0 million by December 31, 2026 (to be made over four year capital investment cycles in \$20.0 million the first three increments and \$15.0 million the last increment); and (iv) 80% of EVERTEC Group employees must be residents of Puerto Rico. Failure to meet the requirements could result, among other things, in reductions in the benefits of the grant, tax penalties, other payment obligations or revocation of the grant in its entirety, which could have a material adverse effect on our financial condition and results of operations.

The enactment of legislation implementing changes in tax legislation or policies in different geographic jurisdictions including the United States could materially impact our business, financial condition and results of operations.

We conduct business and file income tax returns in several jurisdictions. Our consolidated effective income tax rate could be materially adversely affected by several factors, including: changing tax laws, regulations and treaties, or the interpretation thereof; tax policy initiatives and reforms (such as those related to the Organization for Economic Co-Operation and Development's ("OECD") Base Erosion and Profit Shifting, or BEPS, project and other initiatives); the practices of tax authorities in jurisdictions in which we operate; the resolution of issues arising from tax audits or examinations and any related interest or penalties. Such changes may include (but are not limited to) the taxation of operating income, investment income, dividends received or (in the specific context of withholding tax) dividends, royalties and interest paid.

In particular, in December 2021, OECD released final "Pillar Two" model rules pursuant to the Global Anti-Base Erosion Proposal, or "GloBE," to reform international corporate taxation. Large multinational enterprises within the scope of the rules are required to calculate their GloBE effective tax rate for each jurisdiction where they operate. Such large multinational enterprises will be liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. The model rules, commentary and guidance allow the OECD's Inclusive Framework members to begin implementing the Pillar Two rules. Numerous countries have enacted, or are in the process of enacting, legislation to implement Pillar Two model rules. These changes, if and when enacted, by various countries in which we do business may increase our taxes in these countries. The foregoing tax changes and other possible future tax changes may have an adverse impact on us, our business, financial condition, results of operations and cash flow.

We are unable to predict what tax reforms may be proposed or enacted in the future or what effect such changes would have on our business, but such changes, to the extent they are brought into tax legislation, regulations, policies or practices in jurisdictions in which we operate, could increase the estimated tax liability that we have expensed to date and paid or accrued on our Consolidated Statement of Financial Position, and otherwise affect our future results of operations, cash flows in a particular period and overall or effective tax rates in the future in countries where we have operations, reduce post-tax returns to our stockholders and increase the complexity, burden and cost of tax compliance.

Exposure to foreign exchange fluctuations and capital controls may adversely affect our costs, earnings and the value of some of our assets.

Our reporting currency is the U.S. dollar; however we conduct a portion of our business in currencies other than the U.S. dollar, as an example the Brazilian Real, the Chilean Peso and the Costa Rica Colon. Some currencies have been historically volatile and may devalue. Our consolidated financials are directly impacted by movements from foreign currencies to U.S. dollar exchange rate. For example, an appreciation of the U.S. dollar against a foreign currency would reduce the U.S. dollar value of our results while any depreciation of the U.S. dollar would increase our costs.

Further, a continued strengthening of the U.S. dollar could create inflationary pressures and cause foreign governments to, among other measures, increase interest rates. Restrictive macroeconomic policies could reduce the stability of foreign economies and harm our results of operations and profitability.

We are exposed to fluctuations in inflation, which could negatively affect our business, financial condition and results of operations.

The markets in which we operate have experienced historically high levels of inflation. Though inflation rates have declined compared to prior years, if they were to increase again, it may affect our expenses, including, but not limited to, increased employee compensation expenses and benefits as well as increased general administrative costs as was the case in prior high inflationary periods. In addition, inflation has driven in the past and may in the future drive a rising interest rate environment, which has had and may in the future have an adverse effect on our cost of funding, as well as led and may in the future lead to enhanced volatility on foreign currency exchange rates.

In the event inflation increases again, we may seek to increase the sales prices of our products and services in order to maintain satisfactory margins. Any attempts to offset cost increases with price increases may result in reduced sales, increase customer dissatisfaction or otherwise harm our reputation. Moreover, to the extent inflation has other adverse effects on the market, it may adversely affect our business, financial condition and results of operations.

Acquisitions, strategic investments, partnerships, or alliances could be difficult to identify, pose integration challenges, divert the attention of management, disrupt our business, dilute shareholder value, and adversely affect our business, financial condition and results of operations.

We may in the future seek to acquire or invest in businesses, joint ventures, products and platform capabilities, or technologies that we believe could complement or expand our products and platform capabilities, enhance our technical capabilities, or otherwise offer growth opportunities. For example, in November 2023, we completed the Sinqia Transaction, pursuant to which, Sinqia became a wholly-owned subsidiary of Evertec BR. Any such acquisition or investment may divert the attention of management and cause us to incur various expenses in identifying, investigating, and pursuing suitable opportunities, whether or not the transactions are completed, and may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties assimilating or integrating the businesses, technologies, products and platform capabilities, personnel, or operations of the acquired companies, particularly if we are unable to retain the key personnel of the acquired company, their software is not easily adapted to work with our existing platforms, or we have difficulty retaining customer, vendors and other relationships of any acquired business due to changes in ownership, management, or otherwise. These transactions may also disrupt our business, divert our resources, and require significant management attention that would otherwise be available for development of our existing businesses. Any such transactions that we are able to complete may not result in any synergies or other benefits we had expected to achieve, which could result in substantial impairment charges.

In addition, we may not be able to find and identify desirable acquisition targets or business opportunities or be successful in entering into agreements with any particular strategic partner. We expect that certain of our competitors, many of which have greater resources than we do, will compete with us in acquiring complementary businesses or products. This competition could increase prices for potential acquisitions that we believe are attractive. Also, acquisitions are often subject to various regulatory approvals. If we fail to receive the appropriate regulatory approvals, we may not be able to consummate an acquisition that we believe is in our best interests and may incur significant costs. These transactions could also result in transaction fees, dilutive issuances of our equity securities, incurrence of debt or contingent liabilities, and fluctuations in quarterly results and expenses. Further, if the resulting business from such a transaction fails to meet our expectations, our business, financial condition and results of operations may be adversely affected, or we may be exposed to unknown risks or liabilities.

We may acquire businesses located primarily or entirely outside the United States which could increase our current exposure to international operations located in the Caribbean and Latin America including currency exchange fluctuations, regulatory and organizational complexity, and varying economic, climatic and geopolitical circumstances.

We may not realize the anticipated benefits of our merger with Sinqia, which may adversely affect our financial condition and, operating results.

In November 2023, we completed a business combination with Sinqia. We believe this complementary acquisition will enhance our growth strategy, diversify our business, expand our addressable markets, increase our product offerings and drive synergies over time. Achieving these benefits will depend, in part, on our ability to integrate Sinqia's business successfully and efficiently. Moreover, the successful integration of the Sinqia business will require significant management attention, and may divert the attention of management from our business and operational issues.

If we are not able to successfully complete these integrations in an efficient and cost-effective manner, the anticipated benefits of the Sinqia merger may not be realized fully, or at all, or may take longer to realize than expected, and the value of our common stock may be affected adversely. In addition, the actual integrations may result in additional and unforeseen expenses, including increased legal, accounting and compliance costs. If we do not successfully manage these issues and the other challenges inherent in integrating an acquired business, then we may not achieve the anticipated benefits, of the merger within

our anticipated timeframe or at all and our revenue, expenses, operating results, financial condition and stock price could be materially adversely affected.

Risks Related to Our Securities, Corporate Structure and Governance

Future sales or the possibility of future sales of a substantial amount of our common stock may depress the price of shares of our common stock.

We may sell additional shares of common stock in subsequent public offerings or otherwise, including financing acquisitions. Our amended and restated certificate of incorporation authorizes us to issue 206,000,000 shares of common stock, of which 63,614,077 are outstanding as of December 31, 2024. All of these shares, other than certain outstanding shares held by our officers and directors as of December 31, 2024, are freely transferable without restriction or further registration under the Securities Act. We cannot predict the size of future issuances of our common stock or the effect, if any that future issuances and sales of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including any shares issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices for our common stock.

Purchases of our common stock pursuant to our stock repurchase plan may affect the value of our common stock, and there can be no assurance that our stock repurchase plan will enhance stockholder value.

In 2024, we approved an increase to our existing share repurchase authorization to permit repurchases of up to \$220 million in worth of shares of our common stock, including through open market purchases, accelerated share repurchase programs, Rule 10b5-1 plans, or privately negotiated transactions, each in accordance with applicable securities laws and other restrictions. Repurchase activity has previously impacted and could in the future increase (or reduce the size of any decrease in) the market price of our common stock. Additionally, repurchases diminish our cash reserves, which could impact our ability to pursue other possible strategic opportunities or could result in lower overall returns on our cash balances. There can be no assurance that any share repurchases will enhance stockholder value because the market price of our common stock shares could decline. Although the share repurchase program is intended to enhance long-term stockholder value, short-term share price fluctuations could reduce the program's effectiveness.

We are a holding company and rely on dividends and other payments, advances, and transfers of funds from our subsidiaries to meet our obligations and pay any dividends.

We have no direct operations or significant assets other than the ownership of 100% of the membership interest of Holdings, which in turn has no significant assets other than ownership of 100% of the membership interest of EVERTEC Group. Given that we conduct our operations through our subsidiaries, we depend on those entities for dividends and other payments to generate the funds necessary to meet our financial obligations, and to pay any dividends with respect to our common stock. Legal and contractual restrictions in our existing secured credit facilities and other agreements which may govern future indebtedness of our subsidiaries, as well as the financial condition and operating requirements of our subsidiaries, may limit our ability to obtain cash from our subsidiaries. We are prohibited from paying any cash dividend on our common stock unless we satisfy certain conditions. The secured credit facilities also include limitations on the ability of our subsidiaries to pay dividends to us. The earnings from, or other available assets of, our subsidiaries may not be sufficient to pay dividends or make distributions or loans or enable us to pay any dividends on our common stock or other obligations.

Our organizational documents may impede or discourage a takeover, which could deprive our investors of the opportunity to receive a premium for their shares.

Provisions of our amended and restated certificate of incorporation and amended and restated bylaws may make it more difficult for, or prevent a third party from, acquiring control of us without the approval of our Board. These provisions include:

- prohibiting cumulative voting in the election of directors;
- authorizing the issuance of “blank check” preferred stock without any need for action by stockholders (as further described below);
- prohibiting stockholders from acting by written consent unless the action is taken by unanimous written consent; and

- establishing advance notice requirements for nominations for election to our Board or for proposing matters that can be acted on by stockholders at stockholder meetings.

Our issuance of shares of preferred stock could delay or prevent a change in control of us. Our Board has authority to issue shares of preferred stock. Our Board may issue preferred stock in one or more series, designate the number of shares constituting any series, and fix the rights, preferences, privileges and restrictions thereof, including dividend rights, voting rights, rights and terms of redemption, redemption price or prices and liquidation preferences of such series. The existence of the foregoing provisions could limit the price that investors might be willing to pay in the future for shares of our common stock. They could also deter potential acquirers of us, thereby reducing the likelihood that you could receive a premium for your common stock in an acquisition.

The market price of our common stock may be volatile.

The market price of our common stock may fluctuate significantly in response to a number of factors, some of which may be beyond our control. These factors include the perceived prospects for or actual operating results of our business; changes in estimates of our operating results by analysts, investors or our management; our actual operating results relative to such estimates or expectations; actions or announcements by us, our agents, or our competitors; litigation and judicial decisions; legislative or regulatory actions; and changes in general economic or market conditions. In addition, the stock market in general has from time to time experienced extreme price and volume fluctuations. These market fluctuations could reduce the market price of our common stock for reasons unrelated to our operating performance.

From time to time we are subject to various legal proceedings which could adversely affect our business, financial condition or results of operations.

We are involved in various litigation matters from time to time. Such matters can be time-consuming, divert management's attention and resources and cause us to incur significant expenses. Our insurance or indemnities may not cover all claims that may be asserted against us, and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation. If we are unsuccessful in our defense in these litigation matters, or any other legal proceeding, we may be forced to pay damages or fines, enter into consent decrees or change our business practices, any of which could adversely affect our business, financial condition or results of operations.

Short sellers of our stock may be manipulative and may drive down the market price of our common stock.

Short selling is the practice of selling securities that the seller does not own, but rather has borrowed or intends to borrow from a third party with the intention of buying identical securities at a later date to return to the lender. A short seller hopes to profit from a decline in the value of the securities between the sale of the borrowed securities and the purchase of the replacement shares, as the short seller expects to pay less in that purchase than it received in the sale. It is therefore in the short seller's interest for the price of the stock to decline, and some short sellers publish, or arrange for the publication of, opinions or characterizations regarding the relevant issuer, often involving misrepresentations of the issuer's business prospects and similar matters calculated to create negative market momentum, which may permit them to obtain profits for themselves as a result of selling the stock short.

As a public entity, we may be the subject of concerted efforts by short sellers to spread negative information in order to gain a market advantage. In addition, the publication of misinformation may also result in lawsuits, the uncertainty and expense of which could adversely impact our business, financial condition, and reputation. There are no assurances that we will not face short sellers' efforts or similar tactics in the future, and the market price of our stock may decline as a result of their actions.

Risks Related to Our Indebtedness

Our leverage could adversely affect our ability to raise additional capital, 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 we and our subsidiaries may be able to incur significant additional indebtedness, which could further increase such risks.

As of December 31, 2024, the total principal amount of our indebtedness was approximately \$969.6 million. Our degree of leverage could have a significant impact on us, including (i) increasing our vulnerability to adverse economic, industry or

competitive developments; (ii) requiring a substantial portion of cash flow from operations to be dedicated to the payment of principal and interest on our indebtedness, reducing our ability to use our cash flow for other purposes, including for our operations, capital expenditures and future business opportunities; (iii) exposing us to the risk of increased interest rates because our borrowings are predominantly at variable rates of interest; (iv) making it difficult for us to satisfy our indebtedness obligations generally, including complying with restrictive covenants and borrowing conditions, our noncompliance with which could result in an event of default under the agreements setting forth the terms of such indebtedness; (v) restricting us from making strategic acquisitions or causing us to make non-strategic divestitures; (vi) limiting our ability to obtain additional debt or equity financing for working capital, capital expenditures, business development, debt service requirements, acquisitions and general corporate or other purposes; and (vii) limiting our flexibility in planning for, or reacting to, changes in our business or market conditions and placing us at a competitive disadvantage to competitors who may be less highly leveraged.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future, some of which may be secured. In addition to the \$193.9 million which was available for borrowing under our revolving credit facility as of December 31, 2024, the terms of the secured credit facilities enable us to increase the amount available under the term loan and/or revolving credit facilities if we are able to obtain loan commitments from banks and satisfy certain other conditions. If new debt is added to our and our subsidiaries' existing debt levels, the related risks that we face would increase.

Further, borrowings under our secured credit facilities are at variable rates of interest and are exposed to market risk due to the floating interest rates. Our results of operations, cash flows and financial position could be affected adversely by significant fluctuations in interest rates from current levels.

If we are unable to comply with covenants in our debt instruments that limit our flexibility in operating our business or obligate us to take action such as deliver financial reports, we may default under our debt instruments and our indebtedness may become due.

The agreement setting forth the terms of the secured credit facilities contains, and any future indebtedness we incur may contain, various covenants that limit our ability to engage in specified types of transactions. These covenants limit our ability and our subsidiaries' ability to, among other things: (i) incur or guarantee additional indebtedness; (ii) pay dividends or other distributions on, or repurchase or make distributions in respect of (or agree not to pay dividends or other distributions on, or repurchase or make distributions in respect of) our capital stock; (iii) make investments; (iv) sell assets; (v) grant (or agree not to grant) liens on our assets; (vi) consummate a consolidation, merger or similar transaction; (vii) enter into transactions with our affiliates; (viii) make payments in respect of certain indebtedness or modify the documents governing such indebtedness; and/or; (ix) modify our organizational documents.

We are also required under the secured credit facilities to maintain compliance with a maximum total net leverage ratio at the end of each fiscal quarter.

As a result of these covenants, we are limited in the manner in which we conduct our business, and we may be unable to engage in favorable business activities or finance future operations or capital needs. A breach of any of these covenants could result in a default under our secured credit facilities and other material agreements, including as a result of cross default provisions. Upon the occurrence of an event of default under the secured credit facilities, the lenders can cease making revolving loans to us and could elect to declare all amounts outstanding under the secured credit facilities to be immediately due and payable and terminate all commitments to extend further credit. Such actions by those lenders could also cause cross defaults under our other indebtedness.

If any such debt is accelerated and we are unable to repay the amounts outstanding thereunder, the lenders under any such secured credit facilities could proceed against the collateral securing such indebtedness. We have pledged a significant portion of our assets as collateral under the secured credit facilities. If the lenders under the secured credit facilities accelerate the repayment of borrowings, the proceeds from the sale or foreclosure upon such assets will first be used to repay debt under our secured credit facilities and we may not have sufficient assets to repay our unsecured indebtedness thereafter. As a result, our common stock could be negatively impacted.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Cybersecurity Risk Management and Strategy

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems and information. Our cybersecurity risk management program includes a cybersecurity incident response plan.

We design and assess our program based on the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF). This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use the NIST CSF as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business.

Our cybersecurity risk management program is integrated into our overall enterprise risk management program, and shares common methodologies, reporting channels and governance processes that apply across the enterprise risk management program to other legal, compliance, strategic, operational, and financial risk areas.

Key elements of our cybersecurity risk management program include but are not limited to:

- risk assessments designed to help identify material cybersecurity risks to our critical systems, information, and digital assets;
- a security team principally responsible for managing (1) our cybersecurity risk assessment processes, (2) our security controls, and (3) our response to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security processes;
- cybersecurity awareness training of our employees, incident response personnel, senior management and our Board of Directors;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for service providers, suppliers, and vendors, based on their critically and risk profile.

We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us, including our operations, business strategy, results of operations, or financial condition. We face certain ongoing risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. See "Risk Factors —*We rely 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.*"

Cybersecurity Governance

Our Board considers cybersecurity risk as part of its risk oversight function and has delegated to the Information Technology Committee (the "IT Committee") oversight of cybersecurity and other information technology risks, which includes, among others things:

- oversight of IT and cybersecurity related risks with regard to the Company's IT platforms and investments;
- advising and making recommendations to the Board regarding the state of the Company's cybersecurity preparedness, including review of the threat landscape facing the Company; and
- monitoring and evaluating the effectiveness of IT security and cybersecurity protocols within the Company, including disaster recover capabilities.

The IT Committee receives periodic reports from management on our cybersecurity risks. In addition, management updates the IT Committee, as necessary, regarding any significant cybersecurity incidents.

Board members receive presentations on cybersecurity topics. For example, February 2024, the full Board held a cybersecurity tabletop exercise to help prepare to respond to a cyberattack or other security incident.

Our management team, including our Chief Information Security Officer, is responsible for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity risk management program and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our Chief

Information Security Officer experience includes approximately 18 years in different information security roles, including recent roles as Chief Information Security Officer of Unum and Deputy Chief Information Security Officer of MasterCard.

Our management team supervises efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in the IT environment.

Item 2. Properties

Our principal operations are conducted in Puerto Rico. Our principal executive offices are leased and located at Cupey Center Building, Road 176, Kilometer 1.3, San Juan, Puerto Rico 00926.

We own two properties, one in Costa Rica, in the province of San Jose, which is used by our Costa Rican subsidiary for its payment services business, and one in Tupã, Brazil, which is used by Sinqia for their commercial business. We also lease space in 24 other locations across Latin America and the Caribbean, including various data centers and office facilities to meet our sales and operating needs. We believe that our properties are in good operating condition and adequately serve our current business operations. We also anticipate that suitable additional or alternative space, including those under lease options, will be available at commercially reasonable terms for future expansion.

Item 3. Legal Proceedings

We are defendants in various lawsuits or arbitration proceedings arising in the ordinary course of business. Given that such proceedings are subject to uncertainty, there can be no assurance that such legal proceedings, either individually or in the aggregate, will not have a material adverse effect on our business, results of operations, financial condition or cash flows. See Note 25 to the Audited Consolidated Financial Statements appearing elsewhere in this Report for additional information.

Item 4. Mine Safety Disclosures

Not applicable.

Part II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information for Common Stock

Our common stock trades on the NYSE under the symbol “EVTC”.

Holders of Record

As of February 11, 2025, there were 349 registered holders of our common stock. Given that many of our shares of common stock are held in “street name” by brokers and other institutions on behalf of stockholders, we are unable to estimate the total number of stockholders represented by these record holders.

Dividends

The Company has a history of paying cash dividends. The Board anticipates declaring similar dividends in future quarters on a regular basis, however, any ultimate declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board and will depend on many factors, including our financial condition, earnings, available cash, business opportunities, legal requirements, restrictions in our debt agreements and other contracts, capital requirements, level of indebtedness and other factors that our Board deems relevant. The covenants of our secured credit facilities may limit our ability to pay dividends on our common stock and limit the ability of our subsidiaries to pay dividends to us if we do not meet required performance metrics contained in our debt agreements. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Financial Obligations.”

We are a holding company and have no direct operations. We will only be able to pay dividends from our available cash on hand and funds received from our subsidiaries, Holdings and EVERTEC Group, whose ability to make any payments to us will depend upon many factors, including their operating results and cash flows. In addition, the secured credit facilities limit EVERTEC Inc.’s ability to pay distributions on its equity interests. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Financial Obligations.”

Issuer Purchases of Equity Securities

None.

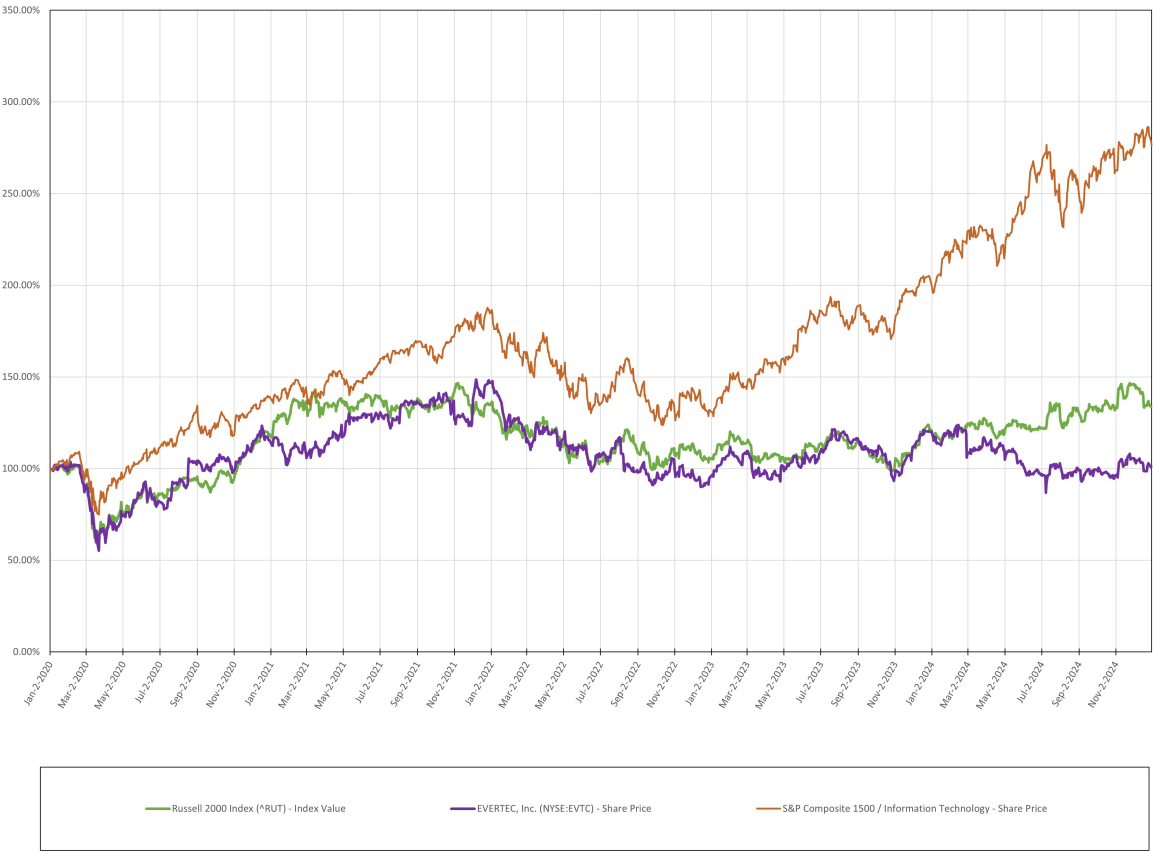
Securities Authorized for Issuance under Equity Compensation Plans

Item 12 of Part III contains information concerning securities authorized for issuance under our equity compensation plans.

Stock Performance Graph

The following Performance Graph shall not be deemed incorporated by reference and shall not constitute soliciting material or otherwise considered filed under the Securities Act or the Exchange Act.

The following graph shows a comparison of the cumulative total return for our common stock, the Russell 2000 Index and the S&P Composite 1500 / Information Technology Index for the five years ended December 31, 2024. The graph assumes that \$100 was invested on December 31, 2019 in our common stock and each index and that all dividends were reinvested.



Note that historical stock price performance is not necessarily indicative of future stock price performance.

Item 6. [Reserved]

Item 7. 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") focuses on discussion of our 2024 results as compared to our 2023 results. For discussion of our 2023 results as compared to our 2022 results, see "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" within our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the SEC on February 29, 2024. See Note 1 to the Audited Consolidated Financial Statements for additional information about the Company and the basis of presentation of our financial statements. You should read the following discussion and analysis in conjunction with the 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 and Risk Factor Summary" for a discussion of the risks, uncertainties and assumptions associated with these statements.

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 26 countries out of 24 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 access to products for the financial sector in Brazil, which includes solutions such as core banking, investments, asset management, pension funds and consortium. 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 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.

2024 Developments

On March 4, 2024, the Board of Directors (the “Board”) of Evertec approved an increase to Evertec’s existing share repurchase authorization to permit future repurchases of up to an aggregate of \$220 million worth of shares of the Company’s common stock, par value \$0.01 per share, by December 31, 2025. 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.

On March 6, 2024, the Company entered into an accelerated share repurchase agreement (the “ASR”) with Bank of America, N.A. to repurchase an aggregate of \$70 million of the Company’s common stock, par value \$0.01 per share, which was completed on July 9, 2024. The Company received a total of 1,984,155 shares in connection with this transaction. All of the shares received as part of the ASR were retired.

On October 31, 2024, the Company signed and closed an agreement to acquire 100% of the share capital of Grandata, Inc. (“Grandata”). Grandata is a data analytics company operating in Mexico that specializes in leveraging behavioral data to provide credit risk insights, with a focus on underbanked populations.

On November 19, 2024, the Company signed and closed an agreement to acquire 100% of the share capital of Nubity, Inc. (“Nubity”). Nubity is a cloud services provider based in Mexico, specializing in AWS cloud infrastructure management, DevOps, and cloud-native application solutions for clients across Latin America.

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, currently 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 markets in which we operate, particularly Latin America and the Caribbean, continue to grow and consumer preference is driving an increase for electronic payments usage. Latin America is one of the fastest-growing mobile markets globally, with a growing base of tech-savvy customers that demonstrate a preference for credit cards, digital wallets, contactless payments, and other value-added offerings. The region's fintech sector is driving change via new contactless payment technology, which is becoming a popular alternative to cash payments. We continue to believe that the attractive characteristics of our markets and our position across multiple services and sectors will continue to drive growth and profitability in our businesses.

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 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 beginning 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 during the year ended December 31, 2024 approximately 31% of our revenues were generated from this relationship.

Critical Accounting Estimates

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). In connection with the preparation of our consolidated 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 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. A summary of significant accounting policies is included in Note 1 to the Audited Consolidated Financial Statements appearing elsewhere in this Report. We believe that the following accounting estimates are the most critical; require the most difficult, subjective, or complex judgments; and thus, results in estimates that are inherently uncertain.

Revenue Recognition

The Company's revenue recognition policy follows the guidance from Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*, which provide guidance on the recognition, presentation, and disclosure of revenue in the consolidated financial statements. Application of this policy requires us to make certain judgements and estimates.

Complex arrangements with nonstandard terms and conditions may require significant contract interpretation to determine the appropriate accounting. Specifically, when another party is involved in providing goods or services to a customer, the Company evaluates, for each performance obligation, whether it is providing the goods or services itself (i.e., as principal), or if it is only arranging on behalf of the other party. Changes in judgement with respect to assumptions and estimates in revenue recognition could impact the amount of revenue recognized.

Valuation of Goodwill

The valuation of goodwill for impairment requires the use of significant estimates and assumptions. 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. The estimated fair value of the reporting units is computed using a combination of an income approach and a market approach. The income approach involves projecting the cash flows that the reporting unit is expected to generate and converting these cash flows into a present value equivalent through discounting. Significant estimates and assumptions used in the cash flow projection include, among others, earnings before interest, taxes, depreciation and amortization ("EBITDA") margins, and the selection of discount rates. Internal projections are based on the Company's historical experience and estimated future business performance. The discount rate used is based on the weighted-average cost of capital, which reflects the rate of return expected to be earned by market participants and the estimated cost to obtain long-term debt financing. The market approach estimates the value of a reporting unit by using multiples of revenue and EBITDA based on the guidelines of publicly traded companies. Valuation using the market approach requires management to make assumptions related to EBITDA multiples. Comparable businesses are selected based on the market in which the reporting units operate, considering size, profitability and growth.

Redeemable Non-controlling Interests

The Company records redeemable non-controlling interests ("RNCI") in consolidated subsidiaries that result from business acquisition transactions where the Company is granted the right to purchase and the sellers are granted the right to sell to the

Company the remaining interest at the calculated redemption value and classifies them as mezzanine equity in the consolidated balance sheets as potential redemption is not solely within the Company's control. The acquired RNCI were initially measured at fair value at the acquisition date. The non-controlling interest is adjusted each reporting period for income (loss) attributable to the non-controlling interest and for any dividends declared. Each reporting period, a measurement period adjustment, if any, is then recorded to adjust the non-controlling interest to the higher of either the redemption value, assuming it was redeemable at the reporting date, or its carrying value, but not if such adjustment would result in a redemption value less than the initial fair value of the redeemable non-controlling interest. If and when applicable, these adjustments are recorded in equity and are not reflected in the accompanying consolidated statements of income and comprehensive (loss) income.

Income Tax

Income taxes are accounted for under the asset and liability method. A temporary difference refers to a difference between the tax basis of an asset or liability, determined based on recognition and measurement requirements for tax positions, and its reported amount in the financial statements that will result in taxable or deductible amounts in future years when the reported amount of the asset or liability is recovered or settled, respectively. Deferred tax assets and liabilities represent the future effects on income taxes that result from temporary differences and carryforwards that exist at the end of a period. Deferred tax assets and liabilities are measured using enacted tax rates and provisions of the enacted tax law and are not discounted to reflect the time-value of money. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statements of income and comprehensive (loss) income in the period that includes the enactment date. A deferred tax valuation allowance is established if it is considered more likely than not that all or a portion of the deferred tax asset will not be realized.

The Company recognizes the benefit of uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement or disposition of the underlying issue with the taxing authority. Accordingly, the amount of benefit recognized in the consolidated financial statements may differ from the amount taken or expected to be taken in the tax return resulting in unrecognized tax benefits ("UTBs"). The Company recognizes the interest and penalties associated with UTBs as part of the provision for income taxes on its consolidated statements of income and comprehensive (loss) income. Accrued interest and penalties are included within the related tax liability line in the consolidated balance sheets. Judgment is required to determine whether or not some portion or all deferred tax assets will not be realized. To the extent that the Company will not realize the benefit of some or all of our deferred tax assets, these deferred tax assets are adjusted via a valuation allowance through our provision for income taxes in the period in which this determination is made.

All companies within EVERTEC are legal entities that file separate income tax returns.

Recent Accounting Pronouncements

For a description of recent accounting standards, see Note 2 to the Audited Consolidated Financial Statements included in this Report.

Non-GAAP Financial Measures and Segment Reporting

EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share, as presented in this Report for the Company on a consolidated basis, are supplemental measures of our performance that are not required by or presented in accordance with GAAP. They are not measurements of our financial performance under GAAP and should not be considered as alternatives to total revenues, net income or any other performance measures derived in accordance with GAAP or as alternatives to cash flows from operating activities as measures of our liquidity. Adjusted EBITDA at the segment level is reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance. For this reason, Adjusted EBITDA, as it relates to our segments, is presented in conformity with ASC 280, *Segment Reporting*, and 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.

For more information regarding EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share, including a quantitative reconciliation of EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share to the most directly comparable GAAP financial performance measure, which is net income, see "—Net Income Reconciliation to EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted Earnings per common share" and "—Covenant Compliance" below.

Results of Operations

(In thousands)

	Years ended December 31,		Variance	
	2024	2023		
Revenues	\$ 845,486	\$ 694,709	\$ 150,777	22 %
Operating costs and expenses				
Cost of revenues, exclusive of depreciation and amortization shown below	406,416	336,756	69,660	21 %
Selling, general and administrative expenses	145,558	128,172	17,386	14 %
Depreciation and amortization	127,846	93,621	34,225	37 %
Total operating costs and expenses	679,820	558,549	121,271	22 %
Income from operations	\$ 165,666	\$ 136,160	\$ 29,506	22 %

Revenues

Total revenues for the year ended December 31, 2024 was \$845.5 million, an increase of \$150.8 million or 22% compared with \$694.7 million in the prior year, reflecting the contribution from a full year from Sinqia and organic growth across all of the company's segments. Merchant acquiring revenue benefited from an improvement in spread and sales volume growth. Payments Puerto Rico revenue reflected continued growth in ATH Movil Business and increased transaction volumes. Latin America revenue benefited from the contribution from the Sinqia, Grandata and Nubity acquisitions as well as continued organic growth across the region. Latin America revenue also benefited from better than expected volumes from GetNet Chile, which resulted in the recognition of a one-time incremental \$2.4 million in revenue, compared with the one-time \$6.3 million recognized in the prior year. Business Solutions revenue reflected increases from completed projects, primarily for Popular.

Cost of revenues

Cost of revenues for the year ended December 31, 2024 amounted to \$406.4 million, an increase of \$69.7 million or 21% when compared to the same period in the prior year. The increase in cost of revenues was primarily driven by an increase in personnel costs, which includes the added headcount in Latin America from the acquisitions completed throughout the year, an increase in cost of sales mainly related to merchant acquiring revenue sharing agreements and the projects completed in Business Solutions and an increase in cloud services and professional fees.

Selling, general and administrative

Selling, general and administrative expenses for the year ended December 31, 2024 amounted to \$145.6 million, an increase of \$17.4 million or 14% when compared to the same period in the prior year driven by an increase in personnel costs and equipment expenses, primarily related to acquisitions completed, partially offset by lower professional fees.

Depreciation and amortization

Depreciation and amortization expense for the year ended December 31, 2024 amounted to \$127.8 million, an increase of \$34.2 million or 37% when compared to the same period in the prior year. This increase was primarily driven by an increase in amortization of intangible assets created in connection with the Sinqia and paySmart acquisition, as well as an increase in software amortization for internally developed software.

Non-operating expenses

(In thousands)

	Years ended December 31,		Variance	
	2024	2023		
Interest income	\$ 13,332	\$ 8,512	\$ 4,820	57 %
Interest expense	(74,733)	(32,321)	(42,412)	131 %
Loss on foreign currency remeasurement	(5,198)	(8,276)	3,078	(37)%
Loss on foreign currency swap	—	(24,065)	24,065	(100)%
Earnings of equity method investment	4,298	4,976	(678)	(14)%
Other income	16,261	367	15,894	4,331 %
Total non-operating expenses	<u>\$ (46,040)</u>	<u>\$ (50,807)</u>	<u>\$ 4,767</u>	<u>(9)%</u>

Non-operating expenses for the year ended December 31, 2024 decreased by \$4.8 million when compared to the same period in the prior year. The decrease was mainly related to the loss on foreign currency swap in the prior year of \$24.1 million, an increase in other income of \$15.9 million mainly related to the impact from the \$8.9 million gain on the sale of tax credits along with a \$3.1 million gain on sale of investments, an increase in interest income of \$4.8 million, and a decrease in foreign currency losses from remeasurement of \$3.1 million, partially offset by an increase in interest expense of \$42.4 million resulting from the increased debt raised to finance the Sinqia acquisition.

Income tax expense

(In thousands)

	Years ended December 31,		Variance	
	2024	2023		
Income tax expense	<u>\$ 4,847</u>	<u>\$ 5,477</u>	<u>\$ (630)</u>	<u>(12)%</u>

Income tax expense for the year ended December 31, 2024 amounted to \$4.8 million, relatively flat when compared to the same period in the prior year. The effective tax rate for the period was 4.1%, compared with 6.4% in the 2023 period. The decrease in the effective tax rate was primarily driven by the higher interest expense resulting from the incremental debt raised as part of the Sinqia acquisition, coupled with the reversal of a potential liability for uncertain tax positions as a result of the expiration of the statute of limitations, partially offset by the foreign currency hedge loss of \$24.1 million in the prior year.

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, 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 and consortium, in addition to software used to execute processes such as digital onboarding, digital signature and digital collection; 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 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. 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. Adjusted EBITDA, as it relates to operating segments, 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.

See Note 26 to the Audited Consolidated Financial Statements appearing elsewhere in this Report for the reconciliation of segment adjusted EBITDA to consolidated income before taxes.

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

Payment Services - Puerto Rico & Caribbean

<i>(In thousands)</i>	Years ended December 31,	
	2024	2023
Total Revenues	\$214,749	\$203,232
Segment Adjusted EBITDA	121,390	118,266
Adjusted EBITDA margin	56.5 %	58.2 %

Payment Services - Puerto Rico & Caribbean segment revenues for the year ended December 31, 2024 increased by \$11.5 million to \$214.7 million when compared to the same period in the prior year. The increase in revenues was primarily driven by

continued strong digital payments growth from ATH Movil, primarily ATH Business, as well as increased POS transactions and increases in transaction-processing and monitoring services provided to the Latin America Payments and Solutions segment partially offset by lower issuing services revenue, mainly driven by lower active accounts. Adjusted EBITDA increased by \$3.1 million to \$121.4 million driven by the increase in revenues partially offset by higher operating expenses, including higher professional services, higher losses on disposition related to POS retirements along with increased infrastructure and programming expenses.

Latin America Payments and Solutions

<i>(In thousands)</i>	Years ended December 31,	
	2024	2023
Total Revenues	\$302,784	\$186,503
Segment Adjusted EBITDA	79,681	60,158
Adjusted EBITDA margin	26.3 %	32.3 %

Latin America Payments and Solutions segment revenues for the year ended December 31, 2024 increased by \$116.3 million to \$302.8 million when compared to the same period in the prior year. Revenues benefited from the contribution from the Sinqia, paySmart, Grandata and Nubity acquisitions and continued organic growth across the region. Adjusted EBITDA increased by \$19.5 million when compared to the same period in the prior year driven by the impact of the Sinqia acquisition, which contributes at a lower margin, partially offset by higher personnel costs driven by the higher headcount from acquisitions and the impact of the \$6.3 million adjustment for GetNet Chile in the prior year, compared with the \$2.4 million in the current year, which is 100% accretive to margin.

Merchant Acquiring

<i>(In thousands)</i>	Years ended December 31,	
	2024	2023
Total Revenues	\$180,500	\$162,366
Segment Adjusted EBITDA	72,632	60,992
Adjusted EBITDA margin	40.2 %	37.6 %

Merchant Acquiring segment revenues for the year ended December 31, 2024 increased by \$18.1 million to \$180.5 million when compared to the same period in the prior year. The revenue increase was primarily driven by an improvement in spread and sales volume growth. Adjusted EBITDA increased by \$11.6 million when compared to the same period in the prior year, driven by the increase in revenues partially offset by higher processing costs from the Payment Services - Puerto Rico & Caribbean segment, an increase in costs associated with the revenue sharing agreements and an increase in operational losses.

Business Solutions

<i>(In thousands)</i>	Years ended December 31,	
	2024	2023
Total Revenues	\$243,975	\$226,960
Segment Adjusted EBITDA	102,669	86,880
Adjusted EBITDA margin	42.1 %	38.3 %

Business Solutions segment revenues for the year ended December 31, 2024 grew by \$17.0 million to \$244.0 million when compared to the same period in the prior year, primarily driven by completed projects, mainly for Popular and to a lesser extent the impact of the CPI escalator that started on October 1 of 1.5% for services provided to Popular. Adjusted EBITDA increased by \$15.8 million to \$102.7 million as compared to the prior year period. This increase was primarily driven by the higher revenues partially offset by higher costs of sale, primarily related to the completed projects, and an increase in professional services.

Liquidity and Capital Resources

Liquidity

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 \$193.9 million was available for borrowing as of December 31, 2024. The Company issues letters of credit against our Revolving Facility which reduce our availability of funds to be drawn.

As of December 31, 2024, we had cash and cash equivalents of \$273.6 million, of which \$224.5 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 at least for 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.

Comparison of the years ended December 31, 2024 and 2023

The following table presents our cash flows from operations for the years ended December 31, 2024 and 2023:

<i>(In thousands)</i>	Years ended December 31,	
	2024	2023
Cash provided by operating activities	\$ 260,059	\$ 211,194
Cash used in investing activities	(118,282)	(507,932)
Cash (used in) provided by financing activities	(152,560)	416,366
Effect of foreign exchange rate on cash, cash equivalents and restricted cash	(18,292)	8,439
Net (decrease) increase in cash, cash equivalents and restricted cash	<u>\$ (29,075)</u>	<u>\$ 128,067</u>

Net cash provided by operating activities for the year ended December 31, 2024 was \$260.1 million, an increase of \$48.9 million compared to 2023 as the Company continues to effectively manage working capital.

Net cash used in investing activities was \$118.3 million compared to \$507.9 million. The decrease is primarily attributable to the acquisitions completed during 2023 for \$417.6 million compared to \$34.0 million for the acquisitions completed in 2024.

Net cash used in financing activities for the year ended December 31, 2024 was \$152.6 million, compared with cash provided of \$416.4 million in prior year related to the debt issued for the Sinqia acquisition. The net cash used in financing activities during 2024 reflects an increase of \$46.2 million in share repurchases which include the impact of the ASR, cash used to pay down long-term debt of \$23.9 million, other financing agreements of \$8.1 million, short-term borrowings for purchase of equipment and software of \$2.5 million, a \$4.0 million increase in withholding taxes paid on share-based compensation and settlement activity, net of \$8.6 million.

Capital Resources

Our principal capital expenditures are for hardware and computer software (purchased and internally developed) and additions to property and equipment. During the years ended December 31, 2024 and 2023, the Company invested approximately \$88.4

million and \$85.0 million, respectively in our capital resources. In addition, during the year ended December 31, 2024 the Company acquired Nubity and Grandata for an aggregated amount of \$34.0 million, net of cash acquired, compared to an aggregated amount of \$417.6 million, net of cash acquired for the two acquisitions completed in the prior year. Generally, we fund capital expenditures with cash flow generated from operations and, if necessary, borrowings under our Revolving Facility. In the case of the Sinqia Transaction, the Company used additional funding through a Term B loan.

Dividend Payments

The Company pays a regular quarterly dividend on common stock, subject to the declaration thereof by our Board each quarter. Any declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board and will depend on many factors, including our financial condition, earnings, available cash, business opportunities, legal requirements, restrictions in our debt agreements and other contracts, capital requirements, level of indebtedness and other factors that our Board deems relevant. Refer to the table below for details regarding our dividends in 2024 and 2023:

Declaration Date	Record Date	Payment Date	Dividend per share
February 15, 2024	February 27, 2024	March 15, 2024	0.05
April 18, 2024	April 29, 2024	June 7, 2024	0.05
July 18, 2024	July 29, 2024	September 6, 2024	0.05
October 17, 2024	October 28, 2024	December 6, 2024	0.05
February 16, 2023	February 28, 2023	March 17, 2023	0.05
April 20, 2023	May 1, 2023	June 2, 2023	0.05
July 20, 2023	July 31, 2023	September 1, 2023	0.05
October 19, 2023	October 30, 2023	December 1, 2023	0.05

Stock Repurchase

During 2024, the Company repurchased 2,358,246 shares of the Company's common stock at a cost of \$82.3 million. The Company funded such repurchases with cash on hand. At December 31, 2024, the Company's share repurchase program has approximately \$138 million remaining and approved for future use. The Company may repurchase shares in the open market, through accelerated share repurchase programs, 10b5-1 plans, or in privately negotiated transactions, subject to business opportunities and other factors.

Financial Obligations

Leases

The Company has operating leases for certain office facilities, buildings, telecommunications and other equipment; and finance leases for certain equipment. The Company's lease contracts have remaining terms ranging from 1 year to 5 years, some of which may include options to extend the leases for up to 5 years, and some which may include the option to terminate the lease within 1 year.

The following table presents the balance of operating lease obligations:

<i>(In thousands)</i>	December 31,	
	2024	2023
Operating lease liability - current	6,229	6,693
Operating lease liability - long-term	4,924	9,033
Total operating lease liabilities	\$ 11,153	\$ 15,726

See Note 25 to the Audited Consolidated Financial Statements for additional information regarding operating lease 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"). On October 30, 2023, EVERTEC and EVERTEC Group entered into a first

amendment to the Credit Agreement with a syndicate of lenders and Truist Bank, as administrative agent and collateral agent, providing for (a) additional term A loans in the amount of \$60.0 million under its TLA Facility maturing December 1, 2027 and (ii) a new tranche of term B loans in the amount of \$600.0 million maturing October 30, 2030 (the “TLB Facility”). On May 16, 2024 and November 26, 2024, EVERTEC and EVERTEC Group entered into second and third amendments to its Credit Agreement, each providing for a pricing reduction to its TLB Facility. Unless otherwise indicated, the terms and conditions detailed below apply to both TLA Facility and TLB Facility (together, the “Term Loan Facilities”). In the fourth quarter of 2023, the Company prepaid \$60 million of the outstanding balance on TLB Facility.

Scheduled Amortization Payments

The TLA Facility amortizes in equal quarterly installments at an amount equal to \$5,966,720.78 per quarter (increasing to \$8,950,081.17 per quarter for any installment payments to be made in the calendar year ending 2027), with the balance payable on the TLA Facility maturity date. The TLB Facility amortizes in equal quarterly installments at a per annum rate equal to 1% of the original aggregate principal amount of the TLB Facility, with the balance payable on the TLB Facility maturity date. Any optional prepayments of the Term Loan Facilities can be applied to the remaining installments. The Revolving Facility terminates on December 1, 2027, and loans thereunder may be borrowed, repaid and reborrowed prior thereto.

Voluntary Prepayments and Reduction and Termination of Commitments

EVERTEC Group may prepay loans under the Term Loan Facilities and permanently reduce the loan commitments under the Revolving Facility at any time without premium or penalty, subject to compensation for any break funding costs incurred by a lender and timely submission of a notice of prepayment or commitment reduction, as applicable; provided that any prepayment of the TLB Facility made prior to May 26, 2025 is subject to a 1% prepayment premium. EVERTEC Group is required to make certain mandatory prepayments of the Term Loan Facilities and the Revolving Facility in certain circumstances.

Interest

The Term Loan Facilities and borrowings under the Revolving Facility accrue interest, at EVERTEC Group’s option at (a) the Adjusted Term SOFR, which means SOFR plus 10 basis points (for the TLA Facility and the Revolving Facility) and plus 0 basis points (for the TLB Facility), for the Interest Period in effect for such borrowing or (b) the ABR, in each case plus an applicable margin. The applicable margin for (i) the TLA Facility and the Revolving Facility is 2.00% per annum for SOFR loans and 1.50% per annum for ABR loans (each subject to four 25 bps step-downs based upon the Company’s total net leverage ratio), and (ii) the TLB Facility, is 2.75% per annum for SOFR loans and 1.75% per annum for ABR loans.

Guarantees and Collateral

The Term Loan Facilities and the Revolving Facility are guaranteed by, and secured by substantially all assets of, EVERTEC and its existing and future material subsidiaries (including EVERTEC Group), subject to customary exceptions.

Covenants

The Term Loan Facilities and the Revolving Facility are subject to customary affirmative and negative covenants. The negative covenants include, among other things, limitations (subject to exceptions) on the ability of EVERTEC and its restricted subsidiaries to:

- declare dividends and make other distributions;
- redeem or repurchase capital stock;
- grant liens;
- make loans or investments (including acquisitions);
- merge or enter into acquisitions
- sell assets;
- enter into any sale or lease-back transactions;
- incur additional indebtedness;
- prepay, redeem or repurchase certain indebtedness;
- modify the terms of certain debt;
- restrict dividends from subsidiaries;
- change the business of EVERTEC or its subsidiaries; and
- enter into transactions with their affiliates.

In addition, the TLA Facility and the Revolving Facility require EVERTEC Group to maintain a maximum total net leverage ratio of (i) 4.50 to 1.00 prior to September 30, 2024, and (ii) 4.00 to 1.00 thereafter.

Events of Default

The events of default under the Term Loan Facilities and the Revolving Facility include, without limitation, nonpayment, material misrepresentation, breach of covenants, insolvency, bankruptcy, certain judgments, change of control (as defined therein) and cross-events of default on material indebtedness.

The unpaid principal balance at December 31, 2024 of the TLA Facility and TLB Facility were \$429.6 million and \$540.0 million. The additional borrowing capacity for the Revolving Facility at December 31, 2024 was \$193.9 million. The Company issues letters of credit against the Revolving Facility which reduce the additional borrowing capacity of the Revolving Facility. For the years ended December 31, 2024 and 2023, there were no borrowings outstanding under the revolving credit 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 December 31, 2024 and December 31, 2023, the unpaid principal balance of these agreements amounted to \$9.9 million and \$19.5 million, respectively. Obligations bear interest at rates ranging from 6.3% to 13.2% with maturities ranging from January 2025 through March 2027. 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 consolidated balance sheet.

Notes 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 December 31, 2024, the outstanding principal balance of the note payable on a discounted basis was \$6.5 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 consolidated balance sheet.

Interest Rate Swaps

As of December 31, 2024, the Company has three interest rate swap agreements which convert a portion of the interest rate payments on the Company's Term Loan Facility 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 consolidated statements of cash flows. Changes in the fair value of the interest rate swaps are recognized in other comprehensive (loss) income until the gains or losses are reclassified to earnings. Gains or losses reclassified to earnings are presented within interest expense in the accompanying consolidated statements of income and comprehensive (loss) income.

Swap Amendment	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%

As of December 31, 2024, the carrying amount of the derivatives included on the Company's consolidated balance sheets was an asset of \$4.3 million and a liability of \$1.4 million. As of December 31, 2023, the carrying amount of the derivatives included on the Company's consolidated balance sheets was an asset \$4.4 million and a liability of \$0.9 million. The fair value of this derivative is estimated using Level 2 inputs in the fair value hierarchy on a recurring basis.

During the years ended December 31, 2024, 2023 and 2022, the Company reclassified gains of \$8.1 million, gains of \$5.6 million and losses of \$3.0 million, respectively, from accumulated other comprehensive (loss) income into interest expense. Based on expected SOFR rates, the Company expects to reclassify gains of \$1.7 million from accumulated other comprehensive (loss) income into interest expense over the next 12 months. Refer to Note 16 - *Financial Instruments and Fair Value Measurements* for tabular disclosure of the fair value of derivatives and to Note 19 - *Equity* for tabular disclosure of gains (losses) recorded on cash flow hedging activities.

At December 31, 2024, the cash flow hedges are considered highly effective.

Covenant Compliance

As of December 31, 2024, the total secured net leverage ratio was 2.06 to 1.00. As of the date of filing of this Report, no event has occurred that constitutes an Event of Default or Default, each as described in the Credit Agreement and the subsequent amendments to the Credit Agreement.

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 consolidated statements of operations 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, 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. This measure is reported to the chief operating decision maker for purposes of making decisions about allocating resources to the segments and assessing their performance. For this reason, Adjusted EBITDA, as it relates to the Company's segments, is presented in conformity with Accounting Standards Codification 280, *Segment Reporting*, and 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. 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; cash interest expense defined as GAAP interest expense, less GAAP interest income adjusted to exclude non-cash amortization of debt issue costs, premium 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 positions, 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:

	Year Ended December 31, 2024
<i>(Dollar amounts in thousands)</i>	
Net income	\$ 114,779
Income tax expense	4,847
Interest expense, net	61,401
Depreciation and amortization	127,846
EBITDA	308,873
Equity income ⁽¹⁾	(1,270)
Compensation and benefits ⁽²⁾	31,644
Transaction, refinancing and other fees ⁽³⁾	(4,215)
Loss on foreign currency remeasurement ⁽⁴⁾	5,198
Adjusted EBITDA	340,230
Operating depreciation and amortization ⁽⁵⁾	(61,467)
Cash interest expense, net ⁽⁶⁾	(56,931)
Income tax expense ⁽⁷⁾	(6,371)
Non-controlling interest ⁽⁸⁾	(2,217)
Adjusted net income	\$ 213,244
Net income per common share (GAAP):	
Diluted	\$ 1.73
Adjusted Earnings per common share (Non-GAAP):	
Diluted	\$ 3.28
Shares used in computing adjusted earnings per common share:	
Diluted	65,077,535

- 1) Represents the elimination of non-cash equity earnings from our equity investments, net of dividends received.
- 2) Primarily represents share-based compensation and severance payments.
- 3) Represents fees and expenses associated with corporate transactions as defined in the Credit Agreement, recorded as part of selling, general and administrative expenses, the elimination of multi-year non recurring gains recognized in connection with the sale of tax credits and realized gains from the change in fair market value of equity securities.
- 4) Represents non-cash unrealized gains (losses) 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 consolidated statements of income and comprehensive (loss) income, adjusted to exclude non-cash amortization of the debt issue costs, premium 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.
- 8) Represents the non-controlling equity interests, net of amortization for intangibles created as part of the purchase.

Item 7A. 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 floors or minimum rates. Based upon a sensitivity analysis of our outstanding debt on December 31, 2024, a hypothetical 100 basis point increase in interest rates over our floor on our debt balances outstanding as of December 31, 2024, under the secured credit facilities would increase our annual interest expense by approximately \$4.2 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 December 31, 2024, 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 15 to the Audited Consolidated Financial Statements appearing elsewhere in this Report for additional information related to the secured credit facilities.

Foreign currency 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 (expenses). For the years ended December 31, 2024, 2023 and 2022, we recognized foreign currency remeasurement losses of \$5.2 million, \$8.3 million and \$7.6 million, respectively. 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) income in the consolidated balance sheets. As of December 31, 2024, the Company had \$138.0 million in an unfavorable foreign currency translation adjustment as part of accumulated other comprehensive (loss) income compared with a favorable foreign currency translation adjustment of \$14.8 million as of December 31, 2023.

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 driven a rising interest rate environment, which has had an adverse effect on our cost of funding, as well as 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 8. Financial Statements and Supplementary Data

The Audited Consolidated Financial Statements, together with EVERTEC's independent registered public accounting firm's reports, are included herein beginning on page F-1 of this Report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. 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 December 31, 2024, the Company's disclosure controls and procedures were effective.

Changes in Internal Control Over Financial Reporting

On November 1, 2023, we acquired Sinqia S.A. We have been in the process of incorporating Sinqia's internal controls into our control structure. The acquisition of, and the ongoing integration of, Sinqia represents a material change in internal control over financial reporting since management's last assessment of our internal control over financial reporting, which was completed as of December 31, 2023. Except as described above, during the three-month period ended December 31, 2024, no change in our internal control over financial reporting has occurred that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as such term is defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act).

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Based on this evaluation under the framework set forth in *Internal Control - Integrated Framework (2013)*, our management concluded that the Company's internal control over financial reporting as of December 31, 2024 was effective.

Attestation Report of the Registered Public Accounting Firm

Deloitte & Touche LLP, an independent registered public accounting firm, has audited the consolidated financial statements as of and for the year ended December 31, 2024, included in this Report and, as part of the audit, has issued a report, included in Part II, Item 8. Financial statements and Supplementary Data in this Report, on the effectiveness of our internal control over financial reporting as of December 31, 2024.

Item 9B. Other Information

During the three months ended December 31, 2024 no director or "officer" (as defined in Rule 16a-1(f) of the Exchange Act) of the Company adopted, terminated or modified a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Part III

Item 10. Directors, Executive Officers and Corporate Governance

Code of Ethics

Our Board of Directors has adopted a Code of Ethics applicable to all officers, directors, and employees, including our principal executive officer, principal financial officer, principal accounting officer and controller, and persons performing similar functions. A copy of our Code of Ethics is available at the Investor Relations section of our website, located at ir.evertecinc.com under “Governance Documents.” We intend to make all disclosures required by law or the NYSE regarding any amendments to, or waivers from, any provisions of the code at the same location of our website. 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.

BIOGRAPHICAL INFORMATION OF OUR DIRECTORS

Certain information concerning our current Board of Directors as of February 24, 2025 follows.

Frank G. D’Angelo

Mr. D’Angelo, age 79, has been Chairman of the Board since February 2014 and a director since September 2013. Since June 2015 he has served as Operating Partner in Hill Path Capital, a private equity partnership, and was a partner in Bridgeport Partners, a private investment firm, from June 2019 through May 2024. From May 2019 until November 2021, he served as Executive Vice President of NCR Corporation and as President of NCR Banking. Prior to this, he was Senior Executive Vice President and COO of the payments section at Metavante Technologies, Inc. and Fidelity National Information Services, Inc. (FIS). At Diebold Corporation, he was Chairman and CEO of Diebold Mexico from 1993 through 1995. Mr. D’Angelo has over 40 years of experience in the financial services, digital banking and payments industries. He is a former chairman of the Electronic Funds Transfer Association, served on the Payments Advisory Council of the Federal Reserve Bank of Philadelphia, is a U.S. Air Force veteran, and served as a director for Walsh University Ohio. Mr. D’Angelo’s experience in the financial services industry, as well as his strong background in operations and management, provides great value to our Board.

Morgan M. Schuessler, Jr.

Mr. Schuessler, age 54, has been a director and the Company’s President and CEO since April 2015. Previously, he served as President of International for Global Payments, Inc., overseeing the company’s business outside of the Americas, spanning 23 countries throughout Europe and Asia. Mr. Schuessler currently serves on the board of directors of Endeavor Puerto Rico, the Wharton Executive Education Board, and the Smithsonian Institution National Board. In February 2025, he was appointed to the board of directors of the Deluxe Corporation (NYSE: DLX). Mr. Schuessler has over 20 years of experience in the payments industry; accordingly, he is well-versed in the intricacies of the Company’s core business and has developed management and oversight skills required to make significant contributions to the Board.

Kelly Barrett

Ms. Barrett, age 60, has been a director since May 2021. From 2016 until her retirement in 2020, Ms. Barrett was the Senior Vice President of Home Services at The Home Depot. Ms. Barrett joined The Home Depot in 2003, where she held various senior management positions, including as Vice President of Internal Audit and Corporate Compliance, and Controller. Ms. Barrett currently serves as board member of Piedmont Office Realty Trust, Inc. (NYSE: PDM) and Americold Realty Trust (NYSE: COLD). Her leadership roles in the community currently include serving on the board of the Metro Atlanta YMCA (where she formerly served as chair); the National Association of Corporate Directors, Atlanta Chapter board; the Georgia Tech Foundation Board of Trustees; and as a member of the Advisory Board of Scheller College of Business at Georgia Tech (where she also formerly served as chair). She is also a Certified Public Accountant in the state of Georgia, has a Cybersecurity Certificate from National Association of Corporate Directors (NACD) and is NACD Directorship Certified. Ms. Barrett’s substantial experience in leadership roles, strategy and enterprise risk management, coupled with service on several boards, is of great service to the Company.

Olga Botero

Ms. Botero, age 61, has been a director since September 2014. She is the founder and Managing Director of C&S Customer and Strategy, a consulting firm focused on supporting IT and digital and cybersecurity management for leading companies in Latin America, and co-founder and Chair of Securi, Inc. From 2011 until January 2024, she was a Senior Advisor to the Boston Consulting Group. She is a fellow at the National Association of Corporate Directors Board Leadership Fellow program, and an

active member of Women Corporate Directors (WCD), where she was co-chair of the Colombian Chapter until 2024. She serves as an independent director of the Altipal S.A.S. board of directors since April 2022, serving as chair of their Audit Committee and member of their Innovation Committee. She also serves as an independent member of the Audit Committee of Grupo Coppel in Mexico, a family-owned group with businesses in retail, financial services and real estate since 2022; and as an independent advisor of Grupo Montoya, a family owned group with businesses in music, automobile and real estate in Colombia and Panama. In October 2024, Ms. Botero joined the board of directors of Betterware de México (NYSE: BWMX), a direct to consumer selling of home products and beauty and personal care products company in Guadalajara, Mexico. Ms. Botero has over 25 years of experience in leadership roles in financial services, telecommunications and technology. She also has Climate Leadership and ESG certificates issued by the Diligent Institute. Her experience, expertise in cybersecurity and technology, and knowledge of Latin American markets are an asset to the Company.

Virginia Gambale

Ms. Gambale, age 65, has been a director since May 2023. Ms. Gambale founded and has served since 2003 as Managing Partner of Azimuth Partners, Inc., a strategic advisory firm that develops growth, innovation and transformation strategies and planning for technology companies. Prior to founding Azimuth in 2003, she worked at Deutsche Bank, where she was a General Partner and Managing Director of ABS Ventures, responsible for the management of the Tech Venture group and Head of Deutsche Bank Strategic Ventures. Before Deutsche Bank, Ms. Gambale was the Chief Information Officer for Global Investment Banking at Merrill Lynch. Ms. Gambale currently serves as a director for Nutanix, Inc. (NYSE: NTNX), Virtu Financial, Inc. (NYSE: VIRT), and Jamf Holding Corp. (NASDAQ: JAMF). She's also an Adjunct Faculty Member for Columbia University. Her substantial experience in leadership roles, IT and fintech are of great value to the Company.

Jorge A. Junquera

Mr. Junquera, 76, has been a director since April 2012. Since July 2015, he has served as Managing Partner at Kohly Capital, LLC, a private investment company. He has over 40 years of experience in the banking and financial services industries. Until his retirement in 2015, Mr. Junquera was Vice Chairman of the board of directors of Popular, Inc. Prior to becoming Vice Chairman, he was the Chief Financial Officer of Popular, Inc. and Supervisor of Popular, Inc's Financial Management Group. He currently serves as a director for Sacred Heart University (PR) and Equalize Community Development Fund (NYSE: EQCDX). Mr. Junquera's substantial experience managing financial institutions and serving on various boards of directors provides him with unique expertise and valuable perspective to assist the Board.

Iván Pagán

Mr. Pagán, age 66, has been a director since May 2019. For twenty-two years until his retirement in February 2019, Mr. Pagán was the Head of Corporate Development at Popular, Inc., where he managed mergers and acquisitions, divestitures, corporate reorganization and strategic alliances for Popular, Inc., completing significant transactions in the United States, Latin American, Puerto Rico and the Caribbean. Mr. Pagán currently serves as a member of the board of directors of Centro Financiero BHD in the Dominican Republic. Mr. Pagán's substantial expertise in financial and M&A matters, experience in the Caribbean and Latin America markets, and knowledge of the Company's operations are an asset to the Company.

Aldo J. Polak

Mr. Polak, age 50, has been a director since May 2019. Mr. Polak founded The ALP Group LLC, which focuses on merchant banking services, and where he serves as Managing Partner since April 2024. From November 2021 until January 2024, he was Managing Director at Mizuho, and from April 2021 until October 2021, he was the Managing Member of Ionos Capital Partners LLC, an investment vehicle company. Prior to that, Mr. Polak served as Chief Investment & Development Officer at Cisneros Group of Companies, a private conglomerate focused on digital advertising, media and entertainment, real estate and new technologies, from April 2019 to April 2021. Before his tenure at Cisneros, he spent over 15 years as an investment banker in Wall Street, including heading the Latin America efforts at LionTree, a global investment and merchant banking firm, from 2013 to March 2019. He currently serves on the boards of two charitable organizations, LatinoU and Reaching U, and is chairman of the latter. He is also involved with Endeavor as a panelist and mentor to entrepreneurs. Mr. Polak's significant experience in M&A, strategy and corporate development, and his network of corporate relationships in Latin America and in the payments sector provide great value to the Board.

Alan H. Schumacher

Mr. Schumacher, age 78, has been a director since April 2013. For 23 years he worked at American National Can Corporation, a manufacturing company, as well as at American National Can Group Inc, a manufacturer of metal cans, where he served as

Vice President, Controller and Chief Accounting Officer until 1997 and as Executive Vice President and Chief Financial Officer from 1997 until his retirement in 2000. He is a former member of the Federal Accounting Standards Advisory Board, and currently serves as a director of Warrior Met Coal, Inc. (NYSE: HCC), Albertsons Companies, Inc. (NYSE: ACI), and Pendrick Capital Partners LLC. Mr. Schumacher has substantial expertise in accounting, reporting, audit and financial matters and, as such, is able to provide valuable contributions to our Board in its oversight functions.

Brian J. Smith

Mr. Smith, age 69, has been a director since February 2016. Mr. Smith served in various executive level positions in The Coca-Cola Company, including as President and COO from January 2019 until September 2022, and as a senior executive from October 2022 until his retirement in February 2023. From 2016 until December 2018, he served as President of its Europe, Middle East and Africa (EMEA) Group and, prior to that, he held other strategic and management roles. Mr. Smith serves as an independent director for Arca Continental (BMV: AC). He also serves as a director for Intercrew/Mantra Chain, a digital assets decentralized exchange platform headquartered in Switzerland, with operations in Hong Kong, Dubai, the United States, and Brazil, and as an independent director for Grupo Romero, a privately held multinational group headquartered in Peru with operations and companies in various industries and sectors, and presence throughout Latin America. Like other members of the Board, Mr. Smith has substantial managerial experience in Latin America. His extensive expertise in management and corporate strategy makes him a valuable asset to the Company.

BIOGRAPHICAL INFORMATION OF OUR EXECUTIVE OFFICERS

Certain information concerning our current executive officers as of February 12, 2025 follows. There are no family relationships between any of our executive officers.

Morgan M. Schuessler, Jr. – Please refer to the Biographical Information of our Directors for Mr. Schuessler’s biographical information.

Joaquín A. Castrillo

Mr. Castrillo, age 42, has served as our Executive Vice President, CFO and Treasurer since October 2018. From August 2018 until such appointment, he served as Interim CFO and Treasurer. He has worked at the Company since 2012 serving in roles of increasing responsibility, including as Vice President and Finance Manager from 2015 to 2018, and as Vice President and Finance Director in 2018 until his appointment as Executive Vice President, CFO and Treasurer. Prior to joining the Company, Mr. Castrillo was an Audit Manager in the Banking and Capital Markets group of PwC. Mr. Castrillo holds a B.B.A. with a double concentration in Finance and Accounting from Villanova University. He is also a Certified Public Accountant and a member of the Villanova University Finance Department Advisory Committee.

Daniel Brignardello

Mr. Brignardello, age 49, has served as our Executive Vice President and Group Head of Latam since February 2024. Prior to that he was our Senior Vice President and Chief Delivery Officer from July 2021 to February 2024. Mr. Brignardello joined the Company in July 2017 as Vice President of Processing and Fraud Prevention Services. Prior to joining the Company, Mr. Brignardello served as COO of PayTrue, a Uruguayan based payments solutions company, from 2003 through June 2017; and as a Senior Software Engineer for Trintech from 2000 through 2003. Mr. Brignardello has over 25 years of senior management experience in the payments sector. He has served as a teacher (Grade 1) in the cryptography university chair of the School of Engineering of the Universidad de la República in Uruguay from 2000 through 2003. Mr. Brignardello holds a degree as Computer Analyst from the School of Engineering of the Universidad de la República in Uruguay (2000), and a Program for Management Development (PMD) degree from the ESADE Business School in Barcelona, Spain (2009). Mr. Brignardello has been a Board member of ICT4V, a technology and innovation organization in Montevideo, Uruguay, since 2015.

Karla Cruz

Ms. Cruz, age 40, has served as our Senior Vice President, Chief Accounting Officer, and Assistant Treasurer since April 1, 2024. Ms. Cruz has served as the Company’s Vice President of Finance since July 2019 with increasing responsibilities including Assistant Treasurer since April 2020, and Corporate Tax Director since August 2020. She has over 17 years of experience in finance and accounting. Prior to joining the Company, Ms. Cruz worked for PricewaterhouseCoopers LLP in roles of increasing responsibility for over 12 years, including as Assurance Director from April 2019 until June 2019, and as Assurance Senior Manager from 2016 until April 2019. Ms. Cruz holds a bachelor’s degree in accounting and finance from the University of Puerto Rico, is a Certified Public Accountant, and a member of the University of Puerto Rico Business Administration Faculty Alumni Advisory Board.

Paola Pérez

Ms. Pérez, age 41, has served as our Executive Vice President since February 2018 and Group Head of Puerto Rico since August 2022. Prior to that she was our Chief Administrative Officer from March 2020 to August 2022, and Senior Vice President of People and Culture from August 2017 until her appointment as Executive Vice President. She joined the Company in 2011 as Director of Internal Audit. Before joining Evertec, Ms. Pérez worked at Chartis as an External Reporting Manager for the Latin America Region, and PwC where she worked as a senior auditor. She obtained her Bachelor of Science in Accounting from Fairfield University, is a Certified Public Accountant and a board member of Lectores para el Futuro, a non-profit organization.

Claudio Almeida Prado

Mr. Prado, age 60, has served as our Executive Vice President and Group Head of Brazil since April 2024. He joined the Company in November 2023 as Senior Vice President of Operations at Sinqia, a position he held from October 2022. Before joining the Company, Mr. Prado served as Chief Operating Officer and Executive Director of New Business at Grupo Fleury, in Brazil, from September 2016 to September 2022. Prior to that, he served as Chief Operating Officer at Grupo Abril S.A., from September 2012 to August 2016, as IT Director of Banco Real, and as Chief Information Officer of Banco Santander and Deutsche Bank, in Brazil. Mr. Prado is certified in management and leadership from the MIT Sloan School of Management in Cambridge, Massachusetts, and holds a degree in electronic engineering and a master's degree in computer engineering from the University of São Paulo.

Luis A. Rodríguez

Mr. Rodríguez, age 47, has served as our Executive Vice President since February 2017 and as Chief Legal and Administrative Officer since August 2022. He joined the Company in 2015 as Senior Vice President for Corporate Development, and was appointed General Counsel and Secretary of the Board in September 2016. Prior to joining the Company, Mr. Rodríguez served as Executive Director at J.P. Morgan in New York. Mr. Rodríguez holds a bachelor's degree from the Woodrow Wilson School of Public and International Affairs at Princeton University and holds a Juris Doctor from Stanford Law School.

Diego Viglianco

Mr. Viglianco, age 55, has served as our Executive Vice President and COO since June 2021, and was a consultant to the Company from March 2021 until his appointment as COO. Before joining the Company, Mr. Viglianco served as the CEO of Interbanking, S.A. from July 2019 to February 2021, a digital financial ACH/real time payments company headquarters in Argentina. Prior to that, he was the CEO of the Processing Division of Prisma Medios de Pago S.A. in Argentina from March 2017 to June 2019. Previously, he held senior management positions with MasterCard in Argentina and Miami, USA, and Promoción y Operación S.A. de C.V. (PROSA) in Mexico. Mr. Viglianco holds an MBA in Economy and Business Administration from ESEADE University, Argentina, and a Bachelor of Science in Engineering from the University of Salvador, Argentina.

Miguel Vizcarrondo

Mr. Vizcarrondo, 51, has served as an Executive Vice President since 2012, and as Chief Product & Innovation Officer since August 2022. Prior to that he was our Chief Commercial Officer for Puerto Rico and the Caribbean from March 2021 to August 2022, and Head of Merchant Acquiring and Payment Processing from February 2012 until 2021. Prior to joining the Company in 2010, Mr. Vizcarrondo worked in Banco Popular de Puerto Rico for 14 years in a variety of roles, lastly as Senior Vice President of the Merchant Acquiring Solutions group from 2006 until he joined the Company in 2010. Mr. Vizcarrondo serves as a member of the Banco Popular Foundation, and as president for the Puerto Rico American Football Alliance, a youth sports league. Mr. Vizcarrondo holds a Bachelor of Science in Management, with a concentration in Finance, from Tulane University.

Other Information

The remaining information required by Part III, Item 10 will be included under the headings "Corporate Governance" and "Delinquent Section 16(a) Reports" (if applicable) in EVERTEC's proxy statement, to be filed pursuant to Schedule 14 A within 120 days after the end of the 2024 fiscal year and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by Part III, Item 11 will be included under the headings “Compensation Discussion and Analysis” and “CEO Pay Ratio” in EVERTEC’s proxy statement, to be filed pursuant to Schedule 14 A within 120 days after the end of the 2024 fiscal year and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Part III, Item 12 will be included under the headings “Security Ownership of Certain Beneficial Owners and Management” and “Director Compensation” in EVERTEC’s proxy statement, to be filed pursuant to Schedule 14 A within 120 days after the end of the 2024 fiscal year and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions and Director Independence

The information required by Part III, Item 13 will be included under the headings “Certain Relationships and Related Person Transactions” and “Corporate Governance” in EVERTEC’s proxy statement, to be filed pursuant to Schedule 14 A within 120 days after the end of the 2024 fiscal year and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by Part III, Item 14 will be included under the heading “Principal Accounting Fees and Services” in EVERTEC’s proxy statement, to be filed pursuant to Schedule 14 A within 120 days after the end of the 2024 fiscal year and is incorporated herein by reference.

Part IV

Item 15. Exhibits and Financial Statement Schedules

(a) (1) Financial Statements

The following consolidated financial statements of EVERTEC, Inc. together with the Report of Independent Registered Public Accounting Firm, are included in Part II, Item 8, Financial Statements and Supplementary Data:

- Reports of Independent Registered Public Accounting Firm
- Consolidated Balance Sheets as of December 31, 2024 and 2023
- Consolidated Statements of Income and Comprehensive (Loss) Income for the years ended December 31, 2024, 2023 and 2022
- Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2024, 2023 and 2022
- Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022
- Notes to Audited Consolidated Financial Statements

(2) Financial Statement Schedules

Schedule I—Parent Company Only Financial Statements

(3) Exhibits

Exhibit No.	Description
3.1	<u>Third Amended and Restated Certificate of Incorporation of EVERTEC, Inc. (incorporated by reference to Exhibit 3.1 of EVERTEC, Inc.'s Current Report on Form 8-K filed on June 1, 2023, File No. 001-35872)</u>
3.2	<u>Amended and Restated Bylaws of EVERTEC, Inc., dated as of May 25, 2023 (incorporated by reference to Exhibit 3.2 of EVERTEC, Inc.'s Current Report on Form 8-K on June 1, 2023, File No. 001-35872)</u>
4.1	<u>Form of common stock certificate of EVERTEC, Inc. (incorporated by reference to Exhibit 4.1 of EVERTEC, Inc.'s Annual Report on Form 10-K, filed on February 25, 2022, File No. 001-35872)</u>
4.2	<u>Description of Registrant's Securities (incorporated by reference to Exhibit 4.2 of EVERTEC, Inc.'s Annual Report on Form 10-K, filed on February 29, 2024, File No. 001-35872)</u>
10.1#	<u>Second Amended and Restated Master Service Agreement, dated as of July 1, 2022, among Popular, Inc., Banco Popular de Puerto Rico and EVERTEC Group, LLC and its subsidiaries (incorporated by reference to Exhibit 10.1 to EVERTEC, Inc.'s Current Report on Form 8-K, filed on July 1, 2022, File No. 001-35872)</u>
10.2#	<u>Second Amended and Restated Independent Sales Organization Sponsorship and Services Agreement, dated as of July 1, 2022, between EVERTEC Group, LLC and Banco Popular de Puerto Rico (incorporated by reference to Exhibit 10.2 to EVERTEC, Inc.'s Current Report on Form 8-K, filed on July 1, 2022, File No. 001-35872)</u>
10.3#	<u>Credit Agreement, dated as of December 1, 2022, among EVERTEC, Inc., EVERTEC Group, LLC, the lenders and L/C issuers party thereto from time to time, and Truist Bank, as administrative agent, collateral agent, swingline lender and an L/C issuer (incorporated by reference to Exhibit 10.1 to EVERTEC, Inc.'s Current Report on Form 8-K filed on December 5, 2022, File No. 001-35872)</u>
10.4#	<u>First Amendment to Credit Agreement, dated as of October 30, 2023, among EVERTEC, Inc., EVERTEC Group, LLC, the lenders party thereto from time to time, and Truist Bank, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 of EVERTEC, Inc.'s Current Report on Form 8-K filed on November 2, 2023)</u>
10.5*	<u>Second Amendment to Credit Agreement, dated as of May 16, 2024, among EVERTEC, Inc., EVERTEC Group, LLC, the lenders and other persons party thereto, and Truist Bank, as administrative agent</u>
10.6*	<u>Third Amendment to Credit Agreement, dated as of November 26, 2024, among EVERTEC, Inc., EVERTEC Group, LLC, the lenders and other persons party thereto, and Truist Bank, as administrative agent</u>
10.7	<u>Collateral Agreement, dated as of December 1, 2022, among EVERTEC, Inc., EVERTEC Group, LLC, each subsidiary loan party identified therein and Truist Bank, as collateral agent (incorporated by reference to Exhibit 10.2 to EVERTEC, Inc.'s Current Report on Form 8-K filed on December 5, 2022, File No. 001-35872)</u>
10.8	<u>Guarantee Agreement, dated as of December 1, 2022, among EVERTEC, Inc., EVERTEC Group, LLC, the loan parties identified on the signature pages thereof and Truist Bank, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.3 to EVERTEC, Inc.'s Current Report on Form 8-K filed on December 5, 2022, File No. 001-35872)</u>
10.9+	<u>EVERTEC, Inc. 2013 Equity Incentive Plan (incorporated by reference to Exhibit 10.61 to EVERTEC, Inc.'s Amendment No. 1 to the Registration Statement on Form S-1 filed on March 14, 2013, File No. 333-186487)</u>
10.10+	<u>EVERTEC, Inc. 2022 Incentive Award Plan (incorporated by reference to Exhibit 10.2 to EVERTEC, Inc.'s Quarterly Report on Form 10-Q filed on August 5, 2022, File No. 001-35872)</u>
10.11*+	<u>Form of EVERTEC Group, LLC Executive Severance Policy (applicable to Joaquín A. Castrillo, Paola Pérez, Luis A. Rodríguez, Diego Viglianco, and Miguel Vizcarrondo)</u>
10.12+	<u>Form of Indemnification Agreement by and among EVERTEC, Inc. and its directors (incorporated by reference to Exhibit 10.17 of EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 24, 2023, File No. 001-35872)</u>
10.13+	<u>Amended and Restated Employment Agreement, dated as of February 24, 2022, by and between EVERTEC Group, LLC and Morgan M. Schuessler, Jr. (incorporated by reference to Exhibit 10.2 to EVERTEC, Inc.'s Current Report on Form 8-K filed on February 24, 2022, File No. 001-35872)</u>

10.14+	Restricted Stock Unit Award Agreement for grant of restricted stock units to executive officers under the EVERTEC, Inc. 2013 Equity Incentive Plan, dated February 25, 2022, by and between EVERTEC, Inc. and the executive (applicable to Morgan M. Schuessler, Jr., Joaquín A. Castrillo, Luis A. Rodríguez, Miguel Vizcarrondo, and Paola Pérez)(incorporated by reference to Exhibit 10.1 to EVERTEC, Inc.'s Quarterly Report on Form 10-Q filed on April 29, 2022, File No. 001-35872)
10.15+	Restricted Stock Unit Award Agreement (Acuerdo de Adjudicación de Unidades de Acciones Restringidas) for grant of restricted stock units under the EVERTEC, Inc. 2013 Equity Incentive Plan, dated February 25, 2022, by and between EVERTEC, Inc. and Daniel Brignardello [English translation] (incorporated by reference to Exhibit 10.16 to EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 29, 2024, File No. 001-35872)
10.16+	Restricted Stock Unit Award Agreement for grant of restricted stock units with cliff vesting under the EVERTEC, Inc. 2013 Equity Incentive Plan, dated February 25, 2022, by and between EVERTEC, Inc. and Daniel Brignardello (incorporated by reference to Exhibit 10.23 to EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 29, 2024, File No. 001-35872)
10.17+	Restricted Stock Unit Award Agreement for grant of restricted stock units for Karla M. Cruz-Jusino under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 25, 2022 (incorporated by reference to Exhibit 10.4 to EVERTEC, Inc.'s Current Report on Form 10-Q filed on May 2, 2024, File No. 001-35872)
10.18+	Restricted Stock Unit Award Agreement for grant of restricted stock units under the EVERTEC, Inc. 2022 Incentive Award Plan, dated August 5, 2022, by and between EVERTEC, Inc. and the executive (applicable to Luis A. Rodríguez and Paola Pérez)(incorporated by reference to Exhibit 10.25 of EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 24, 2023, File No. 001-35872)
10.19+	Form of Restricted Stock Unit Award Agreement for grant of restricted stock units to executive officers under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 24, 2023, by and between EVERTEC, Inc. and the executive officer (applicable to Morgan M. Schuessler, Jr., Joaquín A. Castrillo, Paola Pérez, Luis A. Rodríguez, Diego G. Viglianco, and Miguel Vizcarrondo)(incorporated by reference to Exhibit 10.1 of EVERTEC, Inc.'s Quarterly Report on Form 10-Q filed on April 28, 2023, File No. 001-35872)
10.20+	Restricted Stock Unit Award Agreement (Acuerdo de Adjudicación de Unidades de Acciones Restringidas) for grant of restricted stock units under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 24, 2023, by and between EVERTEC, Inc. and Daniel Brignardello [English translation] (incorporated by reference to Exhibit 10.16 to EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 29, 2024, File No. 001-35872)
10.21+	Restricted Stock Unit Award Agreement for grant of restricted stock units with cliff vesting under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 24, 2023, by and between EVERTEC, Inc. and Daniel Brignardello (incorporated by reference to Exhibit 10.27 to EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 29, 2024, File No. 001-35872)
10.22+	Restricted Stock Unit Award Agreement for grant of restricted stock units for Karla M. Cruz-Jusino under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 24, 2023 (incorporated by reference to Exhibit 10.3 to EVERTEC, Inc.'s Current Report on Form 10-Q filed on May 2, 2024, File No. 001-35872)
10.23+	Form of Restricted Stock Unit Award Agreement for grant of restricted stock units to directors under the EVERTEC, Inc. 2022 Incentive Award Plan, dated May 23, 2024, by and between EVERTEC, Inc. and the director (applicable to Frank G. D'Angelo, Kelly Barrett, Olga Botero, Virginia Gambale, Jorge A. Junquera, Iván Pagán, Aldo J. Polak, Alan H. Schumacher, and Brian J. Smith)(incorporated by reference to Exhibit 10.1 to EVERTEC, Inc.'s Quarterly Report on Form 10-Q filed on August 1, 2024, File No. 001-35872)
10.24+	Restricted Stock Unit Award Agreement for grant of restricted stock units under the EVERTEC, Inc. 2022 Incentive Award Plan, dated November 1, 2023, by and between EVERTEC, Inc. and Daniel Brignardello (incorporated by reference to Exhibit 10.30 to EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 29, 2024, File No. 001-35872)
10.25*+	Restricted Stock Unit Award Agreement for grant of restricted stock units under the EVERTEC, Inc. 2022 Incentive Award Plan, dated November 1, 2023, by and between EVERTEC, Inc. and Claudio Prado [English translation]
10.26+	Form of Restricted Stock Unit Award Agreement for the one-time special retention grant of restricted stock units under the EVERTEC, Inc. 2022 Incentive Award Plan, dated December 6, 2023, between EVERTEC, Inc. and Morgan M. Schuessler, Jr. (incorporated by reference to Exhibit 10.31 to EVERTEC, Inc.'s Annual Report on Form 10-K filed on February 29, 2024, File No. 001-35872)

[Table of Contents](#)

10.27*+	Restricted Stock Unit Award Agreement for grant of restricted stock units under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 29, 2024, by and between EVERTEC, Inc. and Claudio Prado [English translation]
10.28+	Form of Restricted Stock Unit Award Agreement for grant of restricted stock units for Executive Officers under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 29, 2024 (incorporated by reference to Exhibit 10.1 to EVERTEC, Inc.'s Current Report on Form 10-Q filed on May 2, 2024, File No. 001-35872)
10.29+	Restricted Stock Unit Award Agreement for grant of restricted stock units for Karla M. Cruz-Jusino under the EVERTEC, Inc. 2022 Incentive Award Plan, dated February 29, 2024 (incorporated by reference to Exhibit 10.2 to EVERTEC, Inc.'s Current Report on Form 10-Q filed on May 2, 2024, File No. 001-35872)
19.1*	Amended and Restated Insider Trading Policy
21.1*	Subsidiaries of EVERTEC, Inc.
23.1*	Consent of Deloitte & Touche LLP, Independent Registered Public Accounting Firm
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
97.1*	Amended and Restated Clawback Policy
101.INS XBRL*	Inline XBRL 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
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.

Certain exhibits and schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule or exhibit will be furnished to the Securities and Exchange Commission upon request.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized,

EVERTEC, Inc.

Date: March 3, 2025

By: /s/ Morgan M. Schuessler, Jr.

Morgan M. Schuessler, Jr.

Chief Executive Officer

(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Morgan M. Schuessler, Jr.</u> Morgan M. Schuessler, Jr.	Chief Executive Officer (Principal Executive Officer)	March 3, 2025
<u>/s/ Joaquin A. Castrillo-Salgado</u> Joaquin A. Castrillo-Salgado	Chief Financial Officer (Principal Financial and Accounting Officer)	March 3, 2025
<u>/s/ Frank G. D'Angelo</u> Frank G. D'Angelo	Chairman of the Board	March 3, 2025
<u>/s/ Iván Pagán</u> Iván Pagán	Director	March 3, 2025
<u>/s/ Alan H. Schumacher</u> Alan H. Schumacher	Director	March 3, 2025
<u>/s/ Kelly Barrett</u> Kelly Barrett	Director	March 3, 2025
<u>/s/ Jorge A. Junquera</u> Jorge A. Junquera	Director	March 3, 2025
<u>/s/ Aldo Polak</u> Aldo Polak	Director	March 3, 2025
<u>/s/ Olga M. Botero</u> Olga M. Botero	Director	March 3, 2025
<u>/s/ Brian J. Smith</u> Brian J. Smith	Director	March 3, 2025
<u>/s/ Virginia Gambale</u> Virginia Gambale	Director	March 3, 2025

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Audited Consolidated Financial Statements

Reports of Independent Registered Public Accounting Firm (PCAOB ID No.34)	F - 2
Consolidated Balance Sheets as of December 31, 2024 and 2023	F - 5
Consolidated Statements of Income and Comprehensive (Loss) Income for the years ended December 31, 2024, 2023 and 2022	F-7
Consolidated Statements of Changes in Stockholders' Equity for the years ended December 31, 2024, 2023 and 2022	F - 8
Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022	F - 9
Notes to Audited Consolidated Financial Statements	F - 11
Schedule I	F- 52

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of EVERTEC, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of EVERTEC, Inc. and subsidiaries (the "Company") as of December 31, 2024, and 2023, the related consolidated statements of income and comprehensive (loss) income, changes in stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2024, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024, and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 3, 2025 expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenues – Payment services and merchant acquiring- Refer to Notes 1 and 4 to the financial statements

Critical Audit Matter Description

The Company's revenues from payment services and merchant acquiring include activity-based fees made up of a significant volume of low-dollar transactions, sourced from multiple systems, platforms, and applications. The processing of transactions and recording of payments services and merchant acquiring revenue is highly automated and is based on contractual terms with financial institutions, government entities, merchants, and other issuers.

Accordingly, we identified the audit of payment services and merchant acquiring activity-based fees as a critical audit matter. This required an increased extent of effort, including the need for us to involve professionals with expertise in information technology (IT), to identify, test, and evaluate the Company's systems, applications, and automated controls.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company's systems to process and record payment services and merchant acquiring revenues included the following, among others:

- With the assistance of our IT specialists, we:
 - Identified the relevant systems used to process revenue transactions and tested the general IT controls over each of these systems, including testing of user access controls, change management controls, and IT operations controls.
 - Tested system interface controls and automated controls within the relevant revenue streams, as well as the controls designed to ensure the accuracy and completeness of revenue.
- We tested internal controls within the relevant revenue business processes, including those in place to reconcile the various reports extracted from the IT systems to the Company's general ledger.
- We developed expectations of revenue at a disaggregated level based on historical transaction prices and current year transactions and volumes. We compared those estimates to revenue recognized by the Company.

/s/ Deloitte & Touche LLP

San Juan, Puerto Rico
March 3, 2025
Stamp No. DLLP230-183
affixed to original.

We have served as the Company's auditor since 2015.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of EVERTEC, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of EVERTEC, Inc. and subsidiaries (the “Company”) as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2024, of the Company and our report dated March 3, 2025, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management’s Report on Internal Control Over Financial Reporting*. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

San Juan, Puerto Rico
March 3, 2025
Stamp No. DLLP230-184
affixed to original.

EVERTEC, Inc. Consolidated Balance Sheets
(Dollar amounts in thousands, except share data)

	December 31, 2024	December 31, 2023
Assets		
Current Assets:		
Cash and cash equivalents	\$ 273,645	\$ 295,600
Restricted cash	24,594	23,073
Accounts receivable, net	137,501	126,510
Settlement assets	31,942	51,467
Prepaid expenses and other assets	61,383	64,704
Total current assets	529,065	561,354
Debt securities available-for-sale, at fair value	913	2,095
Equity securities, at fair value	4,976	9,413
Investment in equity investees	29,472	21,145
Property and equipment, net	62,059	62,453
Operating lease right-of-use asset	10,131	14,796
Goodwill	726,901	791,700
Other intangible assets, net	430,885	518,070
Deferred tax asset	33,877	47,847
Derivative asset	4,338	4,385
Other long-term assets	24,994	27,005
Total assets	\$ 1,857,611	\$ 2,060,263
Liabilities and stockholders' equity		
Current Liabilities:		
Accrued liabilities	\$ 124,553	\$ 129,160
Accounts payable	58,729	66,516
Contract liability	25,274	21,055
Income tax payable	8,981	3,402
Current portion of long-term debt	23,867	23,867
Current portion of operating lease liability	6,229	6,693
Settlement liabilities	32,027	47,620
Total current liabilities	279,660	298,313
Long-term debt	925,062	946,816
Deferred tax liability	44,810	87,916
Contract liability - long term	55,003	41,825
Operating lease liability - long-term	4,924	9,033

Derivative liability	1,351	900
Other long-term liabilities	27,540	40,084
Total liabilities	1,338,350	1,424,887
Commitments and contingencies (Note 25)		
Redeemable non-controlling interests	43,460	36,968
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; 63,614,077 shares issued and outstanding at December 31, 2024 (December 31, 2023 - 65,450,799)	636	654
Additional paid-in capital	7,003	36,527
Accumulated earnings	599,608	538,903
Accumulated other comprehensive (loss) income, net of tax	(134,723)	18,209
Total EVERTEC, Inc. stockholders' equity	472,524	594,293
Non-controlling interest	3,277	4,115
Total equity	475,801	598,408
Total liabilities and equity	\$ 1,857,611	\$ 2,060,263

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

EVERTEC, Inc. Consolidated Statements of Income and Comprehensive (Loss) Income
(Dollar amounts in thousands, except per share data)

	Years ended December 31,		
	2024	2023	2022
Revenues	\$ 845,486	\$ 694,709	\$ 618,409
Operating costs and expenses			
Cost of revenues, exclusive of depreciation and amortization shown below	406,416	336,756	292,621
Selling, general and administrative expenses	145,558	128,172	89,770
Depreciation and amortization	127,846	93,621	78,618
Total operating costs and expenses	679,820	558,549	461,009
Income from operations	165,666	136,160	157,400
Non-operating income (expenses)			
Interest income	13,332	8,512	3,121
Interest expense	(74,733)	(32,321)	(24,772)
Gain on sale of a business	—	—	135,642
Loss on foreign currency remeasurement	(5,198)	(8,276)	(7,645)
Loss on foreign currency swap	—	(24,065)	—
Earnings of equity method investment	4,298	4,976	2,968
Other income, net	16,261	367	1,138
Total non-operating (expenses) income	(46,040)	(50,807)	110,452
Income before income taxes	119,626	85,353	267,852
Income tax expense	4,847	5,477	28,983
Net income	114,779	79,876	238,869
Less: Net income (loss) attributable to non-controlling interests	2,159	154	(140)
Net income attributable to EVERTEC, Inc.'s common stockholders	112,620	79,722	239,009
Other comprehensive (loss) income, net of tax of \$(519), \$(598) and \$1,447			
Foreign currency translation adjustments	(152,851)	38,328	12,490
(Loss) gain on cash flow hedges	(74)	(3,618)	19,215
Unrealized loss on change in fair value of debt securities available-for-sale	(7)	(15)	(68)
Other comprehensive (loss) income, net of tax	\$ (152,932)	\$ 34,695	\$ 31,637
Total comprehensive (loss) income attributable to EVERTEC, Inc.'s common stockholders	\$ (40,312)	\$ 114,417	\$ 270,646
Net income per common share – basic attributable to EVERTEC, Inc.'s common stockholders	\$ 1.75	\$ 1.23	\$ 3.48
Net income per common share – diluted attributable to EVERTEC, Inc.'s common stockholders	\$ 1.73	\$ 1.21	\$ 3.45

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

EVERTEC, Inc. Consolidated Statements of Changes in Stockholders' Equity
(Dollar amounts in thousands, except share data)

	Number of Shares of Common Stock	Common Stock	Additional Paid-in Capital	Accumulated Earnings	Accumulated Other Comprehensive (Loss) Income	Non- Redeemable Non- Controlling Interest	Total Stockholders' Equity
Balance at December 31, 2021	71,969,856	\$ 719	\$ 7,565	\$ 506,051	\$ (48,123)	\$ 4,056	\$ 470,268
Share-based compensation recognized	—	—	19,956	—	—	—	19,956
Repurchase of common stock	(2,810,182)	(28)	(21,833)	(74,735)	—	—	(96,596)
Restricted stock units delivered	276,719	3	(5,688)	—	—	—	(5,685)
Net income (loss)	—	—	—	239,009	—	(140)	238,869
Common stock received in exchange of the sale of a Business	(4,589,160)	(46)	—	(169,203)	—	—	(169,249)
Cash dividends declared on common stock, \$0.20 per share	—	—	—	(13,773)	—	—	(13,773)
Other comprehensive income (loss)	—	—	—	—	31,637	(679)	30,958
Balance at December 31, 2022	64,847,233	648	—	487,349	(16,486)	3,237	474,748
Share-based compensation recognized	—	—	25,732	—	—	—	25,732
Repurchase of common stock	(1,009,653)	(10)	(20,943)	(15,143)	—	—	(36,096)
Restricted stock units delivered	448,627	4	(5,960)	—	—	—	(5,956)
Net income	—	—	—	79,722	—	154	79,876
Cash dividends declared on common stock, \$0.20 per share	—	—	—	(13,025)	—	—	(13,025)
Issuance of common stock	1,164,592	12	37,698	—	—	—	37,710
Other comprehensive income	—	—	—	—	34,695	724	35,419
Balance at December 31, 2023	65,450,799	654	36,527	538,903	18,209	4,115	598,408
Share-based compensation recognized	—	—	30,275	—	—	—	30,275
Repurchase of common stock	(2,358,246)	(23)	(43,228)	(39,042)	—	—	(82,293)
Restricted stock units delivered	521,524	5	(9,975)	—	—	—	(9,970)
Net income (loss)	—	—	—	112,620	—	(367)	112,253
Cash dividends declared on common stock, \$0.20 per share	—	—	—	(12,873)	—	—	(12,873)
Adjustment of redeemable noncontrolling interest to redemption value	—	—	(6,596)	—	—	—	(6,596)
Other comprehensive loss	—	—	—	—	(152,932)	(471)	(153,403)
Balance at December 31, 2024	63,614,077	\$ 636	\$ 7,003	\$ 599,608	\$ (134,723)	\$ 3,277	\$ 475,801

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

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

	Years ended December 31,		
	2024	2023	2022
Cash flows from operating activities			
Net income	\$ 114,779	\$ 79,876	\$ 238,869
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	127,846	93,621	78,618
Amortization of debt issue costs and accretion of discount	4,739	2,307	2,238
Operating lease amortization	7,063	6,252	6,112
Loss on extinguishment of debt	—	1,433	1,311
Deferred tax benefit	(26,726)	(16,144)	(435)
Share-based compensation	30,275	25,732	19,956
Gain on sale of a business	—	—	(135,642)
Gain from sale of assets	(2,571)	—	—
Loss on disposition of property and equipment and impairment of software	2,603	969	4,943
Earnings of equity method investments	(4,298)	(4,976)	(2,968)
Dividends received from equity method investment	3,364	3,497	2,053
Loss on foreign currency remeasurement	5,198	8,276	7,645
Other, net	(529)	1,809	4,959
(Increase) decrease in assets:			
Accounts receivable, net	(11,225)	(6,850)	(15,571)
Prepaid expenses and other assets	(865)	(16,862)	(4,636)
Other long-term assets	1,288	(5,383)	(5,202)
(Decrease) increase in liabilities:			
Accrued liabilities and accounts payable	(6,602)	46,523	23,494
Income tax payable	6,199	(6,631)	1,281
Contract liability	14,199	8,074	(1,773)
Operating lease liabilities	(7,359)	(5,723)	(3,797)
Other long-term liabilities	2,681	(4,606)	(1,554)
Total adjustments	145,280	131,318	(18,968)
Net cash provided by operating activities	260,059	211,194	219,901
Cash flows from investing activities			
Additions to software	(63,044)	(63,524)	(44,850)
Acquisition of customer relationship	—	—	(10,607)
Acquisitions, net of cash acquired	(34,030)	(417,566)	(44,369)
Property and equipment acquired	(25,384)	(21,452)	(27,073)
Proceeds from sales of property and equipment	5	24	78
Purchase of certificates of deposit	—	—	(7,264)
Proceeds from maturities of available-for-sale debt securities	1,102	1,048	1,015
Acquisition of available-for-sale debt securities	(793)	(962)	(254)
Purchase of equity securities	(132)	—	—
Investment in equity method investee	(2,000)	(5,500)	—
Sale of investments	5,994	—	—
Net cash used in investing activities	(118,282)	(507,932)	(133,324)
Cash flows from financing activities			
Debt issuance and repricing costs	(1,215)	(10,481)	(7,355)
Proceeds from issuance of long-term debt	—	651,000	415,000
Net (decrease) increase in short-term borrowings	—	(20,000)	20,000
Repayments of short-terms borrowings for purchase of equipment and software	(2,479)	(7,175)	(949)
Dividends paid	(12,873)	(13,025)	(13,773)
Withholding taxes paid on share-based compensation	(9,970)	(5,956)	(5,685)
Repurchase of common stock	(82,293)	(36,096)	(96,596)
Repayment of long-term debt	(23,867)	(154,280)	(467,410)

[Table of Contents](#)

Repayment of other financing agreement	(8,134)	(717)	—
Settlement activity, net	(8,641)	13,096	3,460
Other financing activities, net	(3,088)	—	—
Net cash (used in) provided by financing activities	(152,560)	416,366	(153,308)
Effect of foreign exchange rate on cash, cash equivalents and restricted cash	(18,292)	8,439	(3,529)
Net (decrease) increase in cash, cash equivalents and restricted cash	(29,075)	128,067	(70,260)
Cash, cash equivalents, restricted cash, and cash included in settlement assets at beginning of the period	343,724	215,657	285,917
Cash, cash equivalents, restricted cash, and cash included in settlement assets at end of the period	\$ 314,649	\$ 343,724	\$ 215,657

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

Notes to Audited Consolidated Financial Statements

Note 1 – The Company and Summary of Significant Accounting Policies	F-12
Note 2 – Recent Accounting Pronouncements	F-20
Note 3 – Business Acquisitions and Dispositions	F-20
Note 4 – Revenues	F-20
Note 5 – Cash and Cash Equivalents	F-26
Note 6 – Supplemental Statement of Cash Flow Information	F-26
Note 7 – Settlement Assets and Liabilities	F-25
Note 8 – Accounts Receivable and Allowance for Current Expected Credit Losses	F-28
Note 9 – Prepaid Expenses and Other Assets	F-29
Note 10 – Investment in Equity Investees	F-29
Note 11 – Property and Equipment, Net	F-30
Note 12 – Goodwill	F-30
Note 13 – Other Intangible Assets, Net	F-31
Note 14 – Other Long-Term Assets	F-32
Note 15 – Debt and Short-Term Borrowings	F-32
Note 16 – Financial Instruments and Fair Value Measurements	F-35
Note 17 – Other Long-Term Liabilities	F-38
Note 18 – Redeemable Non-Controlling Interests	F-36
Note 19 – Equity	F-39
Note 20 – Share-based Compensation	F-40
Note 21 – Employee Benefit Plan	F-42
Note 22 – Total Other Income (Expenses)	F-42
Note 23 – Income Tax	F-42
Note 24 – Net Income Per Common Share	F-46
Note 25 – Commitments and Contingencies	F-46
Note 26 – Segment Information	F-47
Note 27 – Subsequent Events	F-51

EVERTEC, Inc. Notes to Consolidated Financial Statements**Note 1—The Company and Summary of Significant Accounting Policies****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 26 countries in the region. 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 consolidation

The accompanying consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP), and present the consolidated financial position, income, stockholders' equity, and cash flows of EVERTEC and its consolidated subsidiaries. Intercompany transactions and balances have been eliminated in consolidation. Certain amounts from prior periods have been reclassified to conform to the current period presentation.

Change in presentation

During the second quarter of 2024, the Company elected to change the manner in which it presents cash flows associated with settlement activities from operating activities to financing activities within the consolidated statements of cash flows. In connection with this change, the Company reclassified comparative amounts for the years ended December 31, 2023 and December 31, 2022. Settlement cash and cash equivalents represents cash received from agents, payment networks, bank partners, merchants or direct consumers. In certain cases, the amounts may be invested into short-term, highly liquid investments from the time the funds are collected until payments are made to the applicable recipients. This change does not have an impact on the consolidated balance sheet, the consolidated statement of income and comprehensive (loss) income or on the consolidated statement of changes in stockholders' equity.

The following table presents the effects of the change in presentation within the consolidated statements of cash flows for the year ended December 31, 2023:

<i>(In Thousands)</i>	For the year ended December 31, 2023		
	As Previously Reported	Adjustment	As Adjusted
Cash flows from operating activities:			
Accrued liabilities and accounts payable	59,619	(13,096)	46,523
Net cash provided by operating activities	224,290	(13,096)	211,194
Cash flows from financing activities:			
Settlement activities, net	—	13,096	13,096
Net cash provided by financing activities	403,270	13,096	416,366

The following table presents the effects of the change in presentation within the consolidated statements of cash flows for the year ended December 31, 2022:

EVERTEC, Inc. Notes to Consolidated Financial Statements

(In Thousands)	For the year ended December 31, 2022		
	As Previously Reported	Adjustment	As Adjusted
Cash flows from operating activities:			
Accrued liabilities and accounts payable	26,954	(3,460)	23,494
Net cash provided by operating activities	223,361	(3,460)	219,901
Cash flows from financing activities:			
Settlement activities, net	—	3,460	3,460
Net cash (used in) provided by financing activities	(156,768)	3,460	(153,308)

A summary of the most significant accounting policies used in preparing the accompanying consolidated financial statements is as follows:

Use of Estimates

The preparation of the accompanying consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Due to the inherent uncertainty involved with estimates actual results may differ.

Revenue Recognition

The Company's revenue recognition policy follows the guidance from Accounting Standards Codification ("ASC") 606, Revenue from Contracts with Customers, which provides guidance on the recognition, presentation, and disclosure of revenue from contracts with customers.

At contract inception, the Company evaluates whether the contract (i) is legally enforceable; (ii) approved by both parties; (iii) properly defines rights and obligations of the parties, including payment terms; (iv) has commercial substance; and (v) collection of substantially all consideration entitled is probable, before proceeding with the assessment of revenue recognition. If any of these requirements is not met, the contract does not exist for purposes of the model and any consideration received is recorded as a liability. A reassessment may be performed at a later date upon change in facts and circumstances. The Company also evaluates if contracts issued within a period of 6 months with the same customer should be accounted for as a single contract. The Company's contracts with customers may be modified through amendments, change requests or waivers. Upon receipt, modifications of contracts with customers are evaluated to determine if these must be accounted for: (i) as a separate contract, (ii) a cumulative catch-up, or (iii) as a termination and creation of a new contract. Contract modifications must also comply with the requirements to determine if a contract with a customer exists for accounting purposes.

To identify performance obligations within contracts with customers, the Company first identifies all the promises in the contract (i.e., explicit and implicit). This includes the customer's options to acquire additional goods or services for free or at a discount in exchange for an upfront payment. The Company then assesses if each material good or service (or bundle of goods or services) is distinct in nature and is capable of being distinct in the context of the contract. A distinct good or service (or bundle of goods or services) constitutes a performance obligation.

The Company also applies the series guidance to distinct goods or services (either with a specified quantity of goods or services or a stand-ready service), with an over time revenue recognition, to determine whether they should be accounted for as a single performance obligation. These distinct goods or services are recognized as a single performance obligation when their nature and timely increments are substantially the same and have the same pattern of transfer to the customer (i.e., the distinct goods or services within the series use the same method to measure progress towards complete satisfaction). Performance obligations that do not meet the over time criteria are recognized at a point in time.

The Company also evaluates whether the practical expedient of right-to-invoice applies. For this practical expedient to apply, the right to consideration must correspond directly with the value received by the customer for the Company's performance to date, no significant up-front payments or retroactive adjustments must exist, and specified minimums must be deemed non-substantive at the contract level. If the contract with the customer has multiple performance obligations and

EVERTEC, Inc. Notes to Consolidated Financial Statements

the practical expedient of right-to-invoice does not apply, the Company proceeds to determine the transaction price and allocate it on a standalone selling price basis among the different performance obligations identified.

Revenue is measured based on the consideration specified in a contract with a customer. Once the Company determines a contract's performance obligations and the transaction price, including an estimate of any variable consideration, the Company allocates the transaction price to each performance obligation in the contract using a standalone selling price ("SSP"). The Company recognizes revenue when it satisfies a performance obligation by transferring control of a product or service to a customer. Revenue is recognized net of any taxes collected from customers, which are subsequently remitted to governmental authorities.

The Company generally applies the expected cost plus margin approach to determine the standalone selling price at the performance obligation level. In addition, for performance obligations that are satisfied over time and the right to invoice practical expedient is not available, the Company determines a method to measure progress (i.e., input or output method) based on current facts and circumstances. When these performance obligations have variable consideration within its transaction price and are part of a series, the Company allocates the variable consideration to each time increment.

As part of the revenue recognition analysis, when another party is involved in providing goods or services to a customer, the Company evaluates, for each performance obligation, whether it is providing the goods or services itself (i.e., as principal), or if it is only arranging on behalf of the other party. The Company acts as principal if it controls the specified good or service before that good or service is transferred to a customer. To determine if the Company acts as an agent, the Company considers indicators, such as: (i) the responsibility to fulfill a promise; (ii) the inventory risk; and (iii) the price determination.

The Company may also generate revenues from payments received under collaborative arrangements. Management analyzes its collaborative arrangements to assess whether such arrangements, or transactions between arrangement participants, involve joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards dependent on the commercial success of such activities or are more akin to a vendor-customer relationship. In making this assessment, management considers whether the activities in the collaborative arrangement are considered to be distinct and deemed within the scope of ASC 808, *Collaborative Arrangements*, and those that are more reflective of a vendor-customer relationship and, therefore, within the scope of ASC 606. This assessment is performed throughout the life of the arrangement based on changes in the responsibilities of all parties in the arrangement.

Nature of performance obligations by segment

The following is a description of the Company's principal revenue generating activities, including the separate performance obligations by operating segment.

The Payment Services - Puerto Rico & Caribbean segment provides financial institutions, government entities, health insurance companies and other issuers services to process credit, debit and prepaid cards; automated teller machines and electronic benefit transfer ("EBT") card programs (which principally consist of services to the government of Puerto Rico for the delivery of benefits to participants). Revenue is principally derived from fixed fees per transaction, and can also include time and material billing for professional services provided to enhance and maintain the existing hosted platforms. Professional services in these contracts are primarily considered non-distinct from the transactional services and accounted for as a single performance obligation. Revenue for these contracts is generally recognized over time for the amount which the Company has right to the consideration.

The Latin America Payments and Solutions segment provides financial institutions, government entities and other issuers services to process credit, debit and prepaid cards as well as licensed software solutions for risk and fraud management and card payment processing. Solutions revenues also 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 and consortium, in addition to software used to execute processes such as digital onboarding, digital signature and digital collection; and (b) outsourcing of mission critical IT services. Revenues are based on monthly fixed fees and, in several cases, variable fees based on usage. Licensed software solutions are provided mainly as Software as a Service ("SaaS") and on-premises perpetual licenses. Set-up fees related to SaaS are considered non-distinct from the license and accounted for as a single performance obligation. SaaS revenues are recognized over time while the customer benefits from the software. On-premises perpetual licenses require significant customization and development. Professional services provided for significant customizations and development are non-distinct from the license and accounted for as a single performance obligation, recognized over time during the development of the license. Hardware and software sales, and other

EVERTEC, Inc. Notes to Consolidated Financial Statements

services are recognized at a point in time when the control of the asset is transferred to the customer. Maintenance or support services are considered distinct and recognized over time in the amount in which the Company has right to the consideration.

The Merchant Acquiring segment provides customers with the ability to accept and process debit and credit cards. Revenue is derived from fixed or identifiable fees charged to individual merchants per transaction, set-up fees, monthly membership fees and rental of point-of-sale ("POS") terminals. Set-up fees are considered non-distinct from the transaction processing services and accounted for as a single performance obligation. Revenue for these contracts is recognized over time in the amount in which the Company has right to consideration.

The Business Solutions segment consists of revenues from a full suite of business process management solutions. Revenue derived from core bank processing and other processing and transaction-based services are generally recognized over time in the amount in which the Company has right to consideration. Hosting services generally represent a series of distinct monthly increments that are substantially the same and has the same pattern of transfer. Professional services to enhance EVERTEC's platforms are generally considered non-distinct from the hosting service and accounted for as a single performance obligation. Hosting services are generally recognized over time once in production throughout the term of the contract. Maintenance or support services are usually considered distinct and recognized over time in the amount in which the Company has right to consideration. Hardware and software sales are recognized at a point in time when the control of the asset is transferred to the customer. Indicators of transfer of control include the Company's right to payment, or as the customer has legal title or physical possession of the asset. The Company may also provide professional services to enhance customer's platforms or as IT consulting services by arranging for other parties to transfer the services (i.e., acting as an agent). For these contracts, revenue is recognized on a net basis.

The Company's service contracts may include service level arrangements ("SLA") generally allowing the customer to receive a credit for part of the service fee when the Company has not provided the agreed level of services. If triggered, the SLA is deemed a consideration payable that may impact the transaction price of the contract, thus SLA performance is monitored and assessed for compliance with arrangements on a monthly basis, including determination and accounting for its economic impact, if any.

Significant Judgments

Determining a measure of progress for performance obligations satisfied over time requires management to make judgments that affect the timing of revenue to be recognized. The Company exercises judgment in identifying a suitable method that depicts the entity's performance in transferring control of these performance obligations, on a contract-by-contract basis. The principal criteria used for determining the measure of progress is the availability of reliable information that can be obtained without incurring undue cost, which generally results in the application of an input method since, in most cases, the outputs used to reasonably measure progress are not directly observable. Usually, the input method based on labor hours incurred, with respect to total expected labor hours to satisfy the performance obligation is applied. For performance obligations satisfied at a point in time, the Company determines that the customer is able to direct the use of, and obtain substantially all of the benefits from the products at the time the products are delivered and services are performed.

The Company mainly uses the expected cost-plus margin approach to allocate the transaction price in contracts with multiple performance obligations. To determine the SSP, the Company periodically performs an assessment to determine the margin of goods or services with the assistance of the different business areas. This assessment is performed considering past transactions and/or reasonably available information, including market conditions, trends or other company or customer specific factors, among others.

Investment in Equity Investees

The Company accounts for investments using the equity method of accounting if the investment provides the Company the ability to exercise significant influence, but not control, over an investee. Significant influence is generally deemed to exist if the Company has an ownership interest in the voting stock of an investor of between 20 percent and 50 percent, although other factors are considered in determining whether the equity method of accounting is appropriate. Under this method, the investment, originally recorded at cost on the consolidated balance sheets, is adjusted to recognize the Company's share of net income or losses of the investees as they occur. The Company's share of the investees earnings or losses is recorded, net of taxes, within the earnings of equity method investments in the consolidated statements of income and comprehensive (loss) income. The Company tracks its share of cumulative earnings and distributions of its equity method investments. For purposes of classifying distributions received from equity method investments in the Company's consolidated statements of cash flows, cumulative distributions are treated as returns on capital to the extent of cumulative earnings and included in the Company's

EVERTEC, Inc. Notes to Consolidated Financial Statements

consolidated statements of cash flows as operating activities. Cumulative distributions in excess of the Company's share of cumulative earnings are treated as returns of capital and included in the Company's consolidated statements of cash flows as cash from investing activities. The Company's consolidated revenues include fees for services provided to the investees accounted for under the equity method. On the acquisition of the investment, any difference between the cost of the investment and the amount of the underlying equity in net assets of the investees is required to be accounted as if the investee were a consolidated subsidiary. If the difference is assigned to depreciable or amortizable assets or liabilities, then the difference should be amortized or accreted in connection with the equity earnings based on the Company's proportionate share of the investee's net income or loss. If the investor is unable to relate the difference to specific accounts of the investee, the difference should be considered goodwill.

The Company considers whether the fair value of its equity method investment has declined below its carrying value whenever adverse events or changes in circumstances indicate that recorded values may not be recoverable. If the Company considered any such decline to be other than temporary (based on various factors, including historical financial results, product development activities and the overall health of the investee's industry), then the Company will write-down the investment to estimated fair value.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and amortization. Depreciation of property and equipment is computed using the straight-line method and expensed over their estimated useful lives. Amortization of leasehold improvements is computed over the terms of the respective leases, including renewal options considered by management to be reasonably assured of being exercised, or the estimated useful lives of the improvements, whichever is shorter. Costs of maintenance and repairs which do not improve or extend the life of the respective assets are expensed as incurred.

Leases

The Company evaluates each of its lease and service arrangements at inception to determine if the arrangement is, or contains, a lease and to determine the appropriate classification of each identified lease. A lease exists if the Company obtains substantially all of the economic benefits of, and has the right to control the use of, an asset for a period of time. Right-of-use assets represent the Company's right to use an underlying asset for the lease term, and lease liabilities represents the Company's obligation to make lease payments arising from the lease agreement. The Company recognizes right-of-use assets and lease liabilities at the lease commencement date based on the present values of fixed lease payments over the term of the lease. Variable lease payments are not included in the Right-of-use asset or lease liabilities and are expensed as incurred. Right-of-use assets may also be adjusted to reflect any prepayments made or any incentive payments received. Operating lease costs and depreciation expense for finance leases are recognized as expense on a straight-line basis over the lease term. At inception, the Company evaluates the options to extend or terminate the lease and includes those that are reasonably certain to be exercised in the right-of-use assets and lease liabilities. The Company considers a termination or renewal option in the determination of the lease term when it is reasonably certain that it will exercise that option. Because the Company's leases generally do not provide a readily determinable implicit interest rate, the Company use an incremental borrowing rate to measure the lease liability and associated right-of-use asset at the lease commencement date. The incremental borrowing rate used is a fully collateralized rate that considers the Company's credit rating, market conditions and the term of the lease at the lease commencement date. The Company has made an accounting policy election to not recognize assets or liabilities for leases with a term of less than 12 months and to account for all components in a lease arrangement as a single combined lease component for all asset classes.

Impairment of Long-lived Assets

Long-lived assets to be held and used, and long-lived assets to be disposed of, are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Capitalization of Software

The Company develops software that is used in providing processing services to customers. Capitalized software includes purchased software and internally developed software and is recognized as software packages within other intangible assets, net in the consolidated balance sheets. Capitalization of internally developed software occurs only after the preliminary project stage is complete, management with applicable authority approves funding of the project, it is probable that the project will be completed, and the software will be used to perform the intended function. Tasks that are generally capitalized are as follows: (a) system design of a chosen path including software configuration and software interfaces; (b) employee costs directly associated with the internal-use computer software project; (c) software development (coding) and software and system testing and verification; (d) system installation; and (e) enhancements that add function and are considered permanent. These tasks are

EVERTEC, Inc. Notes to Consolidated Financial Statements

capitalized and amortized using the straight-line method over its estimated useful life, which range from three to ten years, and is included in depreciation and amortization in the consolidated statements of income and comprehensive (loss) income.

The Company capitalizes interest costs incurred in the development of software. The amount of interest capitalized is an allocation of the interest cost incurred during the period required to substantially complete the asset. The interest rate for capitalization purposes is based on a weighted average rate on the Company's outstanding borrowings. For the years ended December 31, 2024, 2023 and 2022, interest cost capitalized amounted to approximately \$3.4 million, \$2.7 million, and \$1.1 million, respectively.

Software and Maintenance Contracts

Software and maintenance contracts are recorded at cost. The cost is recognized as prepaid expenses and amortized over the term of the related contract. The unamortized balance is included within prepaid expenses and other assets or other long-term assets depending on the contract terms. Amortization of software and maintenance contracts is computed using the straight-line method and their estimated useful lives based on the contract terms and are recognized in cost of revenues in the consolidated statements of income and comprehensive (loss) income.

Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price and related costs over the value assigned to net assets acquired. Goodwill is not amortized, but is tested for impairment at least annually, or more often if events or circumstances indicate that the carrying value may not be recoverable.

The Company may first assess qualitative factors to determine whether it is more likely than not, that the fair value of the reporting unit is less than its carrying amount including goodwill, that is, a likelihood of more than 50 percent. The Company has an unconditional option to bypass the qualitative assessment for any reporting unit in any period and proceed directly to performing the quantitative goodwill impairment test. The Company may resume performing the qualitative assessment in any subsequent period. If determined necessary, the quantitative impairment test shall be used to identify goodwill impairment and measure the amount of a goodwill impairment loss to be recognized (if any). The quantitative goodwill impairment test, used to identify both the existence of impairment and the amount of impairment loss, compares the fair value of a reporting unit with its carrying amount, including goodwill. If the Company determines to perform a quantitative impairment test, a third-party may be engaged to prepare an independent valuation of each reporting unit being evaluated. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered not impaired. If the carrying amount of a reporting unit exceeds its fair value, an impairment loss shall be recognized in an amount equal to that excess, limited to the total amount of goodwill allocated to that reporting unit. Additionally, the Company shall consider the income tax effect from any tax-deductible goodwill on the carrying amount of the reporting unit, if applicable, when measuring the goodwill impairment loss. For the years ended December 31, 2024, 2023 and 2022, no impairment losses associated with goodwill were recognized.

Other identifiable intangible assets with definitive useful lives include customer relationships, trademarks, software packages and non-compete agreements. Customer relationships were valued using the excess earnings method under the income approach. Trademark assets were valued using the relief-from-royalty method under the income approach. Internally developed software packages, which include capitalized software development costs, are recorded at cost, while software packages acquired as part of a business combination were valued using the relief-from-royalty method under the income approach or the cost replacement method. The non-compete agreements were recorded based on the price paid to enter into the agreements. Other identifiable intangible assets are evaluated for impairment at least annually or more often if events or circumstances indicate there may be an impairment.

Derivative Instruments and Hedging Activities

The Company uses derivative financial instruments to enhance its ability to manage its exposure to certain financial and market risks. On the date the derivative instrument contract is entered into, the Company may designate the derivative as (1) a hedge of the fair value of a recognized asset or liability or an unrecognized firm commitment ("fair value" hedge), (2) a hedge of a forecasted transaction or of the variability of cash flows to be received or paid related to a recognized asset or liability ("cash flow" hedge), or (3) as a "standalone" derivative instrument, including economic hedges that the Company has not formally documented as a fair value or cash flow hedge. Changes in the fair value of a derivative that qualifies for cash flow hedge accounting are recognized in other comprehensive (loss) income. Amounts accumulated in other comprehensive (loss) income are reclassified to earnings when the related cash outflow affects earnings. Changes in the fair value of a derivative instrument

EVERTEC, Inc. Notes to Consolidated Financial Statements

that is highly effective and that is designated and qualifies as a fair value hedge, along with changes in the fair value of the hedged asset or liability that are attributable to the hedged risk (including gains or losses on firm commitments), are recorded in current-period earnings. Similarly, the changes in the fair value of stand-alone derivative instruments or derivatives not qualifying or designated for hedge accounting are reported in current-period earnings. The Company recognizes all derivative financial instruments in the consolidated balance sheets as assets or liabilities at fair value. The Company presents derivative assets and derivative liabilities separately in the consolidated balance sheets. The Company does not enter into derivative financial instruments for speculative purposes.

Income Tax

Income taxes are accounted for under the asset and liability method. A temporary difference refers to a difference between the tax basis of an asset or liability, determined based on recognition and measurement requirements for tax positions, and its reported amount in the financial statements that will result in taxable or deductible amounts in future years when the reported amount of the asset or liability is recovered or settled, respectively. Deferred tax assets and liabilities represent the future effects on income taxes that result from temporary differences and carryforwards that exist at the end of a period. Deferred tax assets and liabilities are measured using enacted tax rates and provisions of the enacted tax law and are not discounted to reflect the time-value of money. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statements of income and comprehensive (loss) income in the period that includes the enactment date. A deferred tax valuation allowance is established if it is considered more likely than not that all or a portion of the deferred tax asset will not be realized.

The Company recognizes the benefit of uncertain tax positions only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement or disposition of the underlying issue with the taxing authority. Accordingly, the amount of benefit recognized in the consolidated financial statements may differ from the amount taken or expected to be taken in the tax return resulting in unrecognized tax benefits ("UTBs"). The Company recognizes the interest and penalties associated with UTBs as part of the provision for income tax expense in the consolidated statements of income and comprehensive (loss) income. Accrued interest and penalties are included within the related tax liability line in the consolidated balance sheets.

All companies within EVERTEC are legal entities that file separate income tax returns.

Research and Development ("R&D") Tax incentives

The Company receives tax credits for qualifying research and development activities as defined by the government entities that award these credits for which it has the option to sell them to third parties, usually at a discount. The Company has elected to account for these transferable credits outside the scope of ASC 740, consistent with the accounting for refundable credits. As such, these R&D tax credits are recognized as part of other income (expenses) in the consolidated statements of income and comprehensive (loss) income when the Company has complied with the conditions specified by the requirements of the government entity and there is reasonable assurance that the credits will be received.

Cash and cash equivalents

Cash includes cash on hand and in banks. Cash equivalents consist of financial instruments available on demand or with original maturities of three months or less.

Restricted Cash

Restricted cash represents cash received on deposits from participating institutions of the ATH network that has been segregated for the development, growth and acceptance of the ATH brand. Also, restricted cash includes a reserve account for payment and transaction processing services to merchants and an amount that guarantees the payment for deferred consideration of a business combination. The restrictions of these accounts are based on contractual provisions entered into with third parties. This cash is maintained in separate accounts at a financial institutions in Puerto Rico and Brazil.

Settlement Assets and Liabilities

EVERTEC, Inc. Notes to Consolidated Financial Statements

Settlement assets and liabilities result from timing differences in the Company's settlement processes with merchants, financial institutions, and credit card associations related to merchant and card transaction processing. The amounts are generally collected or paid the following business day. Settlement assets represent cash received or amounts receivable from agents, payment networks, bank partners, merchants or direct consumers. Settlement liabilities represent amounts payable to merchants and payees. Settlement assets are composed of cash and accounts receivable and are presented within current assets, while settlement liabilities are composed of accounts payable and are presented as part of current liabilities within the consolidated balance sheets. Cash flows associated with settlement activities are presented net within financing activities within the consolidated statement of cash flows.

Allowance for Current Expected Credit Losses

The Company monitors trade receivable balances and estimates the allowance for current expected credit losses based on historical loss rates adjusted by macroeconomic factors. Receivables are considered past due if full payment is not received by the contractual date. Past due accounts are generally written off against the allowance for current expected credit losses, only after all collection attempts have been exhausted.

Redeemable Non-controlling Interests

The Company records redeemable non-controlling interests ("RNCI") in consolidated subsidiaries that result from business acquisition transactions where the Company is granted the right to purchase ("Call Option") and the sellers are granted the right to sell to the Company ("Put Option") the remaining interest at the calculated redemption value and classifies them as mezzanine equity in the consolidated balance sheets as potential redemption is not solely within the Company's control. The acquired RNCI were initially measured at fair value at the acquisition date. The non-controlling interest is adjusted each reporting period for income (loss) attributable to the non-controlling interest and for any dividends declared. Each reporting period, a measurement period adjustment, if any, is then recorded to adjust the non-controlling interest to the higher of either the redemption value, assuming it was redeemable at the reporting date, or its carrying value, but not if such adjustment would result in a redemption value less than the initial fair value of the redeemable noncontrolling interest. If and when applicable, these adjustments are recorded in equity and are not reflected in the accompanying consolidated statements of income and comprehensive (loss) income.

Foreign Currency Translation and Transactions

Assets and liabilities denominated in foreign currencies are translated to U.S. dollars using prevailing rates of exchange at the end of the period. Revenues, expenses, gains and losses are translated using average rates for the period. The resulting foreign currency translation adjustment from operations for which the functional currency is other than the U.S. dollar is reported in accumulated other comprehensive (loss) income, except for entities which operate in economies considered highly inflationary which are remeasured as if the functional currency were the reporting currency, therefore, foreign currency translation adjustments are recognized within the consolidated statement of income and not in other comprehensive (loss) income. Gains and losses on transactions denominated in currencies other than the functional currencies are included in determining net income for the period in which exchange rates change.

Share-based Compensation

Performance and time-based restricted stock units ("RSUs") and restricted stock are valued based on the market price of the Company's stock at the grant date. The Company estimates the fair value of stock-based awards with market conditions, on a contemporaneous basis, at the date they are granted using the Monte Carlo simulation analysis for market based RSUs using the following assumptions: (1) stock price; (2) risk-free rate; (3) expected volatility; (4) expected annual dividend yield and (5) expected term. The risk-free rate is based on the U.S. Constant Maturities Treasury Interest Rate as of the grant date or the yield of a 2-year or 3-year Treasury bond, as applicable. The expected volatility is based on a combination of historical volatility and implied volatility from publicly traded companies in the Company's industry. The expected annual dividend yield is based on management's expectations of future dividends as of the grant date and, in certain cases, assumes that those dividends will be reinvested over the performance period.

Upon restricted stock or RSUs release, participants may elect to "net share settle". Rather than requiring the participant to deliver cash to satisfy the tax withholdings, the Company withholds enough shares to cover these amounts and delivers the net shares to the participant.

EVERTEC, Inc. Notes to Consolidated Financial Statements

Net Income Per Common Share

Basic net income per common share is determined by dividing net income by the weighted-average number of common shares outstanding during the period.

Diluted net income per common share assumes the issuance of all potentially dilutive share equivalents using the treasury stock method. For restricted stock and RSUs it is assumed that the proceeds will be used to buy back shares. For unvested restricted share units, the proceeds equal the average unrecognized compensation.

Note 2—Recent Accounting Pronouncements*Recently adopted accounting pronouncements*

In November 2023, FASB issued ASU 2023-07 *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which provides for additional disclosures as they relate to a Company's segments. Additional requirements per the update include disclosures for significant segment expenses, measures of profit or loss used by the CODM and how these measures are used to allocate resources and assess segment performance. The amendments in this ASU are effective for all public entities for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. The Company has evaluated the impact of this update on its disclosures and has applied the required amendments to these consolidated financial statements for the year ended December 31, 2024. Refer to Note 26 - *Segment Information*.

Recently issued accounting pronouncements not yet adopted

In August 2023, FASB issued ASU 2023-05 *Business Combinations - Joint Venture Formation (Subtopic 805-60): Recognition and Initial Measurement*, which provides an update to the accounting treatment of joint ventures upon formation. This update requires companies to measure assets and liabilities contributed to joint ventures at fair value at the time of formation and has an effective date of January 1, 2025. The update is to be applied prospectively, with a retrospective option for previously formed joint ventures. The Company has not elected retrospective application for its previously formed joint ventures and will adopt the provisions of this ASU for any future joint venture formations.

In December 2023, FASB issued ASU 2023-09 *Income Tax (Topic 740): Improvements to Income Tax Disclosures* which provides for additional disclosures for rate reconciliations, disaggregation of income taxes paid, and other disclosures. The amendments in this ASU are effective for public business entities for fiscal years beginning after December 15, 2024. The Company is currently evaluating the updated disclosure requirements and impact that the standard will have on its consolidated financial statements upon implementation.

In November 2024, the FASB issued ASU 2024-03, *Disaggregation of Income Statement Expenses*. This update enhances the disclosure requirements of a public business entity's expenses. With this standard nearly all public business entities will disclose more information about the components of the expense captions than what is currently disclosed in the financial statements allowing investors to better understand the components of an entity's expenses and assess an entity's performance. This update is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the updated disclosure requirements and impact that the standard will have on its consolidated financial statements upon implementation.

Note 3— Business Acquisitions and Dispositions

On October 31, 2024, the Company signed and closed an agreement to acquire 100% of the share capital of Grandata, Inc ("Grandata"). Grandata is a data analytics company operating in Mexico that specializes in leveraging behavioral data to provide credit risk insights, with a focus on underbanked populations. The aggregate purchase price was \$33.3 million and the acquisition enhances the Company's existing product offerings.

The Company accounted for this transaction as a business combination, and the purchase price allocation is preliminary and subject to change. The Company received net assets with a value of \$6.3 million, inclusive of \$9.9 million in cash and cash equivalents, and identified intangible assets other than goodwill for which a portion of the purchase price must be allocated. The purchase price was preliminarily allocated to the following intangible assets: \$11.9 million to customer relationships, \$6.8 million to software and \$1.5 million to trademarks. Goodwill in connection with this transaction is preliminarily estimated

EVERTEC, Inc. Notes to Consolidated Financial Statements

at approximately \$12.8 million, after recording deferred tax liabilities of approximately \$6.0 million in connection with the intangible assets recognized. These values are preliminary and subject to change.

On November 19, 2024, the Company signed and closed an agreement to acquire 100% of the share capital of Nubity, Inc ("Nubity"). Nubity is a cloud services provider based in Mexico, specializing in AWS cloud infrastructure management, DevOps, and cloud-native application solutions for clients across Latin America. The aggregate purchase price was \$11.0 million and the acquisition enhances the Company's existing product offering.

The Company accounted for this transaction as a business combination, and the purchase price allocation summary is preliminary and subject to change. The Company received net assets with a value of \$0.3 million and identified intangible assets other than goodwill for which a portion of the purchase price must be allocated. The purchase price was preliminarily allocated to the following intangible assets: \$3.9 million to customer relationships and \$0.5 million to trademarks. Goodwill in connection with this transaction is preliminarily estimated at approximately \$7.8 million, after recording deferred tax liabilities of approximately \$1.5 million in connection with the intangible assets recognized. These values are preliminary and subject to change.

Goodwill in connection with both acquisitions is attributable to the Latin America Payments and Solutions segment, refer to Note 12- *Goodwill* for further details. Currently, none of the goodwill is deductible for income tax purposes.

The results of operations for both Grandata and Nubity were not material to the Company's consolidated statement of income and comprehensive (loss) income for the year ended December 31, 2024.

On February 16, 2023, the Company closed on the acquisition of 100% of Paysmart Pagamentos Electronicos Ltda ("paySmart"). Headquartered in Porto Alegre, Brazil, paySmart provides issuer processing services and BIN Sponsorship services for prepaid programs under domestic and international schemes in Brazil. The aggregate purchase price was \$130 million Brazilian reais ("BRL"), approximately USD \$25 million. The acquisition expands the Company's footprint in Brazil and compliments the current product offering in the country.

The Company accounted for this transaction as a business combination. The following table details the fair value of assets acquired and liabilities assumed from the paySmart acquisition:

	Assets/Liabilities (at fair value)	
(In thousands)		
Cash and cash equivalents	\$	2,037
Accounts receivable, net		451
Prepaid expenses and other assets		58
Property and equipment, net		107
Operating lease right-of-use asset		182
Goodwill		9,477
Other intangible assets, net		15,174
Settlement assets		52,593
Total assets acquired		80,079
Accounts payable		278
Settlement liabilities		50,368
Operating lease liability		185
Income tax payable		298
Deferred tax liability		4,253
Total liabilities assumed	\$	55,382

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

EVERTEC, Inc. Notes to Consolidated Financial Statements

	Amount	Weighted-average life
<i>(Dollar amounts in thousands)</i>		
Customer relationships	\$ 10,239	20
Trademark	1,299	5
Software packages	3,636	5
Total	<u>\$ 15,174</u>	<u>15</u>

On November 1, 2023, the Company completed the acquisition (the "Sinquia Transaction") of 100% of the outstanding shares of Sinquia S.A. ("Sinquia"), a publicly held company incorporated and existing in accordance with the laws of the Federative Republic of Brazil. The Company completed the acquisition through its wholly-owned subsidiary, Evertec Brasil Informática S.A ("Evertec BR"). Prior to the completion of the business combination, the Company acquired 4.8 million shares of Sinquia, representing approximately 5.4% of the outstanding shares of Sinquia. The shares were purchased in the open market for \$26.5 million and at acquisition date the fair value of the equity securities amounted to \$25.7 million. The acquisition expands the Company's product portfolio and client base in Brazil. The aggregate purchase price was \$2.4 billion BRL, approximately USD\$472 million, composed of cash of approximately USD\$408.3 million from new financing commitments, approximately USD\$25.7 million from previously acquired Sinquia shares and 1.2 million Evertec shares issued through Brazilian Depository Receipts, with a value of BRL\$190.7 million, approximately USD\$37.7 million. The closing stock price of Evertec on November 1, 2023 was \$32.38. Refer to Note 15 - Debt and Short-Term Borrowings for further details regarding new financing commitments and Note 19 - Equity for further details regarding the Brazilian Depository receipts.

The Company accounted for this transaction as a business combination. The following table details the fair value of the assets acquired and liabilities assumed from the Sinquia acquisition:

EVERTEC, Inc. Notes to Consolidated Financial Statements

	Assets/Liabilities (at fair value)
<i>(In thousands)</i>	
Cash and cash equivalents	\$ 37,147
Restricted cash	2,166
Accounts receivable, net	9,989
Prepaid expenses and other assets	5,975
Property and equipment, net	3,618
Operating lease right-of-use asset	3,191
Goodwill	341,801
Equity securities, at fair value	9,035
Long-term deferred tax asset	28,758
Other intangible assets, net	289,540
Other long-term assets	5,455
Total assets acquired	\$ 736,675
Accounts payable	13,241
Accrued liabilities	40,775
Operating lease liability	4,114
Current portion of long-term debt	11,400
Long-term debt	57,492
Contract liability	7,356
Deferred tax liability	76,150
Other long-term liabilities	15,134
Total liabilities assumed	\$ 225,662
Redeemable non-controlling interests	39,340
Additional paid-in capital	471,673
Total liabilities and equity	\$ 736,675

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

	Amount	Weighted-average life
<i>(Dollar amounts in thousands)</i>		
Customer relationships	\$ 155,876	18
Trademark	47,688	10
Software packages	85,976	10
Total	\$ 289,540	14

Refer to Note 12 - *Goodwill* for detail of goodwill allocated by reportable segments. The goodwill is primarily attributed to selling the Company's products and services to Sinqia's client base, exporting Sinqia's products to other markets where the Company has presence and the assembled workforce. Currently, a portion of goodwill related to previous Sinqia acquisitions is deductible for income tax purposes on a statutory basis.

The following unaudited pro forma information shows the Company's results of operations for the years ended December 31, 2023 and 2022 as if the Sinqia Transaction had occurred on January 1, 2022. The unaudited pro forma information is presented for informational purposes only and is not necessarily indicative of what would have occurred if the Sinqia acquisition had occurred as of that date. The unaudited proforma financial information reflects the effects of applying the Company's

EVERTEC, Inc. Notes to Consolidated Financial Statements

accounting policies and certain pro forma adjustments to the combined historical financial information of the Company and Sinqia. This is not intended to be a projection of future results or performance and actual results might materially differ.

(In thousands)	Year ended	
	December 31, 2023	December 31, 2022
Total revenues	\$ 805,152	\$ 735,048
Net income	85,344	190,666

Sale of a Business

On July 1, 2022, the Company closed on a definitive agreement with Banco Popular de Puerto Rico and its parent, Popular, to sell software and prepaid assets and transfer certain employees in connection with those assets (the “Business”). As consideration for the sale of the Business, Popular delivered 4.6 million shares of Evertec common stock held by Popular with a value of \$169.2 million at close (the “Popular Transaction”). Additionally, management concluded that \$15.4 million included in the Company’s contract liability should be treated as consideration for the sale. Total consideration for the sale of the Business amounted to \$184.7 million.

The Company also modified and extended the main commercial agreements with Popular, including 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. The Company also entered into new contracts and transition services agreements concurrently with the close of the Popular Transaction with terms between 3 months and 36 months.

The MSA modifications, among other things, includes the elimination of the exclusivity requirement which was the basis for a non-compete intangible asset recorded in 2010 as part of the original MSA that was being amortized over a 15 year period. As a result, the Company determined that the balance of the non-compete intangible asset on July 1, 2022 of \$12.3 million, should be written off as a component of the gain on sale of a business. The Company also concluded that certain provisions in the new contracts and transition services agreements with Popular were not at fair value, therefore requiring that a portion of the gain be allocated to these contracts based on relative stand-alone selling price which were determined from the Company’s historical cost-plus margin arrangements. The Company recorded a contract liability based on relative fair value of \$11.7 million in connection with this conclusion.

The following table details the consideration for the sale of the business, major classes of assets and liabilities included in the business sale and the gain on sale of a business:

(In thousands)	July 1, 2022
Common stock received in exchange for the sale of a business	\$ 169,249
Contract liability representing consideration for the sale of a business	15,426
Total consideration for the sale of a business	184,675
Goodwill	(5,813)
Other intangible assets, net	(31,011)
Prepaid expenses and other assets	(497)
Contract liability	(11,712)
Gain on sale of a business	\$ 135,642

Note 4— Revenues
Disaggregation of revenue

The Company disaggregates revenue from contracts with customers into the primary geographical markets, nature of products and services, and timing of transfer of goods and services. The Company’s operating segments are determined by the nature of

EVERTEC, Inc. Notes to Consolidated Financial Statements

the products and services that the Company provides and the primary geographical markets in which the Company operates. Revenue disaggregated by segment is discussed in Note 26 - *Segment Information*.

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

Year ended on December 31, 2024					
(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	\$ 240	\$ 4,558	\$ —	\$ 7,773	\$ 12,571
Products and services transferred over time	139,103	277,110	180,500	236,202	832,915
	<u>\$ 139,343</u>	<u>\$ 281,668</u>	<u>\$ 180,500</u>	<u>\$ 243,975</u>	<u>\$ 845,486</u>
Year ended on December 31, 2023					
(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	\$ 394	\$ 5,766	\$ —	\$ 8,911	\$ 15,071
Products and services transferred over time	135,579	163,644	162,366	218,049	679,638
	<u>\$ 135,973</u>	<u>\$ 169,410</u>	<u>\$ 162,366</u>	<u>\$ 226,960</u>	<u>\$ 694,709</u>
Year ended on December 31, 2022					
(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	\$ 361	\$ 2,648	\$ —	\$ 11,735	\$ 14,744
Products and services transferred over time	117,900	111,116	151,085	223,564	603,665
	<u>\$ 118,261</u>	<u>\$ 113,764</u>	<u>\$ 151,085</u>	<u>\$ 235,299</u>	<u>\$ 618,409</u>

The Company has revenue concentration with Popular, revenues as a percentage of total revenues, were 31%, 35% and 39%, for the years ended December 31, 2024, 2023 and 2022, respectively. Accounts receivable from Popular as of December 31, 2024 and December 31, 2023 amounted to \$37.5 million and \$40.5 million, respectively.

The Company enters into collaborative arrangements aimed at growing the Company's merchant relationships. These arrangements are accounted for under ASC 606 as required by ASC 808 Collaborative Arrangements and are included as part of the Company's Merchant Acquiring segment and Latin America Payments and Solutions segment. For the years ended December 31, 2024, 2023 and 2022, the Company recognized revenue amounting to \$130.8 million, \$114.9 million, and \$65.9 million, respectively, for these arrangements.

Refer to Note 26 - Segment Information for further information, including revenue by products and services the Company provides and the geographic regions in which the Company operates.

Contract balances

EVERTEC, Inc. Notes to Consolidated Financial Statements

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 becomes 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 consolidated balance sheets. Contract assets at December 31, 2024 and 2023 amounted to \$11.4 million and \$13.9 million, respectively.

Contract liability and Contract liability- Long term, at December 31, 2024 amounted to \$25.3 million and \$55.0 million, respectively. Contract liability and Contract liability- Long term amounted to \$21.1 million and \$41.8 million at December 31, 2023, 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 fiscal year 2022. Contract liability may also arise when consideration is received or due in advance from customers prior to performance. During the year ended December 31, 2024, the Company recognized revenue of \$28.8 million that was included in contract liability, at December 31, 2023. During the year ended December 31, 2023, the Company recognized revenue of \$16.4 million that was included in contract liability at December 31, 2022.

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 December 31, 2024 is \$750.2 million, which is expected to be recognized over the next 5 years.

Note 5—Cash and Cash Equivalents

At December 31, 2024 and 2023, the Company's cash and cash equivalents amounted to \$298.2 million and \$318.7 million, respectively, which are deposited in financial institutions. Of the total cash balance at December 31, 2024 and 2023, \$226.7 million and \$208.8 million, respectively, reside in subsidiaries located outside of Puerto Rico. At December 31, 2024 and 2023 the Company also had cash and cash equivalents included in settlement assets amounting to \$16.4 million and \$25.1 million, respectively. Reconciliation of cash, cash equivalents, restricted cash and cash included in settlement assets as presented on the cash flow statement is as follows:

EVERTEC, Inc. Notes to Consolidated Financial Statements

(In thousands)	December 31,		
	2024	2023	2022
Reconciliation of cash, cash equivalents, restricted cash, and cash included in settlement assets			
Cash and cash equivalents	\$ 273,645	\$ 295,600	\$ 185,274
Restricted cash	24,594	23,073	18,428
Cash and cash equivalents included in settlement assets	16,410	25,051	11,955
Cash, cash equivalents, restricted cash, and cash included in settlement assets	\$ 314,649	\$ 343,724	\$ 215,657

Refer to Note 7 - *Settlement Assets and Liabilities* for additional information regarding settlement assets and settlement liabilities.

Note 6 – Supplemental Statement of Cash Flow Information

Supplemental statement of cash flow information is as follows:

(In thousands)	December 31,		
	2024	2023	2022
Supplemental disclosure of cash flow information:			
Cash paid for interest	71,999	32,147	24,132
Cash paid for income taxes	24,583	36,247	32,826
Supplemental disclosure of non-cash activities:			
Payable due to vendor related to equipment and software acquired	2,343	1,964	3,716
Right-of-use assets obtained in exchange for operating lease liabilities	3,920	—	—
Non-cash investing activities			
Capital contribution in-kind to investment in equity investee	6,000	—	—
Trade-in of equipment	2,193	—	—
Software exchanged for common stock	—	—	18,761
Goodwill exchanged for common stock	—	—	5,813
CDs transferred in the acquisition of a business	—	—	7,169
Non-cash financing activities			
Payable due to vendor related to licenses acquired	—	7,403	—
Dividends declared on redeemable non-controlling interests	2,898	—	—
Non-cash financing and investing activities			
Common stock received and retired for sale of a business	—	—	169,249
Common stock exchanged for the acquisition of a business	—	37,710	—

Note 7 - Settlement Assets and Liabilities

The principal components of the Company's settlement assets and liabilities were as follows at December 31:

EVERTEC, Inc. Notes to Consolidated Financial Statements

(In thousands)	December 31,	
	2024	2023
Settlement assets		
Cash and cash equivalents	\$ 16,410	\$ 25,051
Accounts receivables	15,532	26,416
Total settlement assets	\$ 31,942	\$ 51,467
Settlement liabilities		
Accounts payable	\$ 32,027	\$ 47,620
Total settlement liabilities	\$ 32,027	\$ 47,620

Note 8 —Accounts Receivable and Allowance for Current Expected Credit Losses

Accounts receivable, net consisted of the following:

(In thousands)	December 31,	
	2024	2023
Trade	\$ 138,230	\$ 128,403
Other	2,127	2,117
Less: allowance for current expected credit losses	(2,856)	(4,010)
Accounts receivable, net	\$ 137,501	\$ 126,510

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. The governmental customers possess different risk characteristics than private customers because even though 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.

Rollforward of the Allowance for Current Expected Credit Losses

The activity in the allowance for current expected credit losses on trade receivables was as follows:

EVERTEC, Inc. Notes to Consolidated Financial Statements

<i>(In thousands)</i>	December 31, 2024	December 31, 2023
Balance at the beginning of the period	\$ 4,010	\$ 2,159
Current period provision for expected credit losses	921	2,218
Write-offs	(2,088)	(384)
Recoveries of amounts previously written-off	13	17
Balance at the end of the period	<u>\$ 2,856</u>	<u>\$ 4,010</u>

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 revenues, exclusive of depreciation and amortization in the consolidated statements of income and comprehensive (loss) income. Subsequent recoveries of amounts previously written-off are credited against the allowance for expected current credit losses within accounts receivable, net on the consolidated balance sheets.

Note 9—Prepaid Expenses and Other Assets

Prepaid expenses and other assets consisted of the following:

<i>(In thousands)</i>	December 31,	
	2024	2023
Prepaid income taxes	\$ 14,081	\$ 16,284
Prepaid cloud computing arrangement fees	9,068	8,686
Software maintenance contracts	8,115	5,606
Contract asset	7,984	11,086
Deferred project costs	7,414	7,747
Taxes, other than income	4,344	2,898
Insurance	2,737	2,702
Postage	2,327	2,269
Guarantee deposits	872	861
Other	4,441	6,565
Prepaid expenses and other assets	<u>\$ 61,383</u>	<u>\$ 64,704</u>

Note 10—Investment in Equity Investees

Consorcio de Tarjetas Dominicanas, S.A. (“CONTADO”) is one of the largest merchant acquirers and ATM network in the Dominican Republic. The Company uses the equity method of accounting to account for its equity interest in CONTADO. As a result of the acquisition in 2011 of CONTADO’s 19.99% equity interest, the Company calculated an excess cost of the investment in CONTADO over the amount of underlying equity in net assets of approximately \$9.0 million, which was mainly attributed to customer relationships, trademark, and goodwill intangibles. The Company’s excess basis allocated to amortizable assets is recognized on a straight-line basis over the lives of the appropriate intangibles. Amortization expense for each of the years ended December 31, 2023 and 2022 amounted to approximately \$0.1 million and \$0.2 million, respectively, and was recorded within earnings of equity method investments in the consolidated statements of income and comprehensive (loss) income. For the year ended December 31, 2024 there is no amortization expense as intangibles were fully amortized in the second quarter of 2023. The Company recognized \$5.0 million, \$5.0 million, and \$3.0 million as earnings of equity method investment in the consolidated statements of income and comprehensive (loss) income for the years ended December 31, 2024, 2023 and 2022, respectively. For the years ended December 31, 2024, 2023 and 2022, the Company received \$3.4 million, \$3.5 million, and \$2.1 million respectively, in dividends from CONTADO.

EVERTEC, Inc. Notes to Consolidated Financial Statements

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. The services will be provided through a newly formed entity which both entities contributed capital to form. The Company has a 21.26% equity interest in the newly formed entity and uses the equity method of accounting to account for this equity interest. During the year ended December 31, 2024, the Company contributed cash and nonfinancial assets amounting to \$2.0 million and \$6.0 million, respectively. For the year ended December 31, 2023, the Company made cash contributions of \$5.5 million. The Company recognized a loss of \$0.7 million within earnings of equity method investments in the consolidated statements of income and comprehensive (loss) income for the year ended December 31, 2024.

Both equity method investments' fiscal years end on December 31 and are reported in the consolidated statements of income and comprehensive (loss) income for the period subsequent to the acquisition date on a one-month lag. No significant events occurred in the operations subsequent to November 30, 2024 that would have materially affected the Company's reported results.

Note 11—Property and Equipment, Net

Property and equipment, net consisted of the following:

	Useful life in years	December 31,	
		2024	2023
<i>(Dollar amounts in thousands)</i>			
Buildings	30	\$ 2,105	\$ 2,193
Data processing equipment	3 - 5	189,172	187,761
Furniture and equipment	3 - 10	10,413	10,281
Leasehold improvements	5 - 10	5,059	4,876
		206,749	205,111
Less—accumulated depreciation and amortization		(146,185)	(144,117)
Depreciable assets, net		60,564	60,994
Land		1,495	1,459
Property and equipment, net		\$ 62,059	\$ 62,453

Depreciation and amortization expense related to property and equipment was \$22.3 million, \$21.6 million, and \$18.5 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Note 12—Goodwill

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

	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total
<i>(In thousands)</i>					
Balance at December 31, 2022	\$ 160,972	\$ 84,289	\$ 138,121	\$ 40,010	\$ 423,392
Goodwill attributable to acquisition	—	352,629	—	—	352,629
Foreign currency translation adjustments	—	15,679	—	—	15,679
Balance at December 31, 2023	160,972	452,597	138,121	40,010	791,700
Adjustment to goodwill from prior year acquisition	—	(1,352)	—	—	(1,352)
Goodwill attributable to acquisitions	—	20,621	—	—	20,621
Foreign currency translation adjustments	—	(84,068)	—	—	(84,068)
Balance at December 31, 2024	\$ 160,972	\$ 387,798	\$ 138,121	\$ 40,010	\$ 726,901

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.

EVERTEC, Inc. Notes to Consolidated Financial Statements

The estimated fair value of the reporting units is computed using a combination of an income approach and a market approach. The income approach involves projecting the cash flows that the reporting unit is expected to generate and converting these cash flows into a present value equivalent through discounting. Significant estimates and assumptions used in the cash flow projection include, among others, earnings before interest, taxes, depreciation, and amortization (“EBITDA”) margins, and the selection of discount rates. Internal projections are based on the Company’s historical experience and estimated future business performance. The discount rate used is based on the weighted-average cost of capital, which reflects the rate of return expected to be earned by market participants and the estimated cost to obtain long-term debt financing. The market approach estimates the value of a reporting unit by using multiples of revenue and EBITDA based on guideline of publicly traded companies. Valuation using the market approach requires management to make assumptions related to EBITDA multiples. Comparable businesses are selected based on the market in which the reporting units operate, considering size, profitability, and growth. If the fair value of the reporting unit exceeds its carrying amount, goodwill of the reporting unit is not considered impaired. If the fair value does not exceed the carrying value, an impairment loss equaling the excess amount is recorded, limited to the recorded balance of goodwill. The Company performed a quantitative assessment as of August 31, 2024 for the Latin America Payments and Solutions reporting unit and performed a qualitative assessment for the Payments Services - Puerto Rico & Caribbean, Merchant Acquiring, net and Business Solutions reporting units. For the 2023 annual impairment test the quantitative assessment was followed for all the Company reporting units. Based on the analysis performed as of August 31, 2024 and August 31, 2023, the fair value of the reporting units exceed the carrying amounts of the reporting units. No impairment losses were recorded in 2024, 2023 or 2022. Refer to Note 3 - *Business Acquisitions and Dispositions* for further details of goodwill acquired in 2024 and 2023.

Note 13—Other Intangible Assets, Net

The carrying amount of other intangible assets consisted of the following:

		December 31, 2024		
(In thousands)	Useful life in years	Gross amount	Accumulated amortization	Net carrying amount
Customer relationships	5 - 20	\$ 533,203	\$ (374,474)	\$ 158,729
Trademark	3 - 15	84,008	(48,204)	35,804
Software packages	3 - 10	515,404	(281,550)	233,854
Non-compete agreement	5	3,194	(696)	2,498
Other intangible assets, net		<u>\$ 1,135,809</u>	<u>\$ (704,924)</u>	<u>\$ 430,885</u>

		December 31, 2023		
(In thousands)	Useful life in years	Gross amount	Accumulated amortization	Net carrying amount
Customer relationships	8 - 20	\$ 568,284	\$ (340,952)	\$ 227,332
Trademark	1 - 15	94,203	(41,319)	52,884
Software packages	3 - 10	510,898	(274,610)	236,288
Non-compete agreement	5	1,735	(169)	1,566
Other intangible assets, net		<u>\$ 1,175,120</u>	<u>\$ (657,050)</u>	<u>\$ 518,070</u>

EVERTEC, Inc. Notes to Consolidated Financial Statements

Amortization expense related to intangibles, including software packages, was \$105.5 million, \$72.0 million, and \$59.9 million for the years ended December 31, 2024, 2023 and 2022, respectively. Amortization expense related to software packages was \$39.2 million, \$31.3 million, and \$25.7 million for the years ended December 31, 2024, 2023 and 2022, respectively. During the year ended December 31, 2022, the Company recorded an impairment loss through cost of revenues amounting to \$4.1 million for a multi-year software development for which a reduction in future cash flows was projected. This impairment charge affected the Company's Payment Services – Puerto Rico & Caribbean segment.

The estimated amortization expense of balances outstanding at December 31, 2024 for the next years and thereafter are as follows:

<i>(In thousands)</i>	
2025	\$ 91,674
2026	78,801
2027	66,542
2028	52,343
2029	35,884
Thereafter	105,641

Note 14—Other Long-Term Assets

Other long-term assets consisted of the following:

<i>(In thousands)</i>	December 31,	
	2024	2023
Software maintenance contracts	\$ 10,037	\$ 11,246
Deferred costs	6,860	5,183
Contract assets	3,458	2,830
Guarantees	3,037	5,593
Deferred-issuance costs - revolving credit facility	1,602	2,153
Other long-term assets	\$ 24,994	\$ 27,005

Note 15—Debt and Short-Term Borrowings

Total debt was as follows:

<i>(In thousands)</i>	December 31,	
	2024	2023
2027 Term A Loan bearing interest at a variable interest rate (SOFR plus applicable margin ⁽¹⁾⁽²⁾)	\$ 426,602	\$ 449,450
2030 Term B Loan bearing interest at a variable interest rate (SOFR plus applicable margin ⁽¹⁾⁽³⁾)	522,327	521,233
Deferred consideration from business combinations	9,895	19,467
Note payable due on September 1, 2030 ⁽¹⁾	6,519	7,403
Total debt	\$ 965,343	\$ 997,553

(1) Net of unaccreted discount and unamortized debt issue costs, as applicable.

(2) Subject to minimum rate ("SOFR floor") of 0.00% plus applicable margin of 2.00% at December 31, 2024 and 1.50% at December 31, 2023.

(3) Subject to SOFR floor of 0.50% plus applicable margin of 2.75% at December 31, 2024 and an applicable margin of 3.50% at December 31, 2023.

EVERTEC, Inc. Notes to Consolidated Financial Statements

The following table presents contractual principal payments for the next five years and thereafter:

(In thousands)

2025	\$	23,867
2026		23,867
2027		381,870
2028		—
2029		—
Thereafter		540,000

2023 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 (i) a \$415.0 million term loan A facility that matures on December 1, 2027, and a \$200.0 million revolving credit facility (the “Revolving Facility”) that matures on December 1, 2027. On October 30, 2023, Evertec, EVERTEC Group and other Loan Parties (as defined in the Existing Credit Agreement) party thereto, entered into a first amendment (the “Amendment”) to the credit agreement, dated as of December 1, 2022 (the “Existing Credit Agreement,” and as amended by the Amendment, the “Amended Credit Agreement”), with a syndicate of lenders and Truist, as administrative agent and collateral agent. Under the Amended Credit Agreement, a syndicate of financial institutions and other lenders provided (i) additional term loan A commitments in the amount of \$60.0 million and (ii) a new tranche of term loan B commitments in the amount of \$600.0 million (the “TLB Facility,” and together with the Incremental TLA Facility, the “Facilities”). The \$600.0 million term loan B facility matures on October 30, 2030. Unless otherwise indicated, the terms and conditions detailed below apply to both TLA facility and TLB facility. In the fourth quarter of 2023, the Company prepaid \$60 million of the outstanding balance on TLB facility.

Scheduled Amortization Payments

The TLA Facility amortizes in equal quarterly installments at an amount equal to (a) initially, \$5,966,720.78 per quarter and (b) for any installment payments to be made in the calendar year ending 2027, \$8,950,081.17 per quarter, with the balance payable on the 2022 Credit Facilities Maturity Date. The TLB Facility amortizes in equal quarterly at a rate equal to 1% per calendar year, with the balance payable on the Term Loan B Maturity Date. Any optional prepayments of the Term Loan Facilities can be applied to the remaining installments. The Revolving Credit Facility terminates on the 2022 Credit Facilities Maturity Date, and loans thereunder may be borrowed, repaid and reborrowed prior thereto.

Voluntary Prepayments and Reduction and Termination of Commitments

Other than as set forth below with respect to the TLB Facility, EVERTEC Group may prepay loans under the Term Loan Facilities and permanently reduce the loan commitments under the Revolving Facility at any time without premium or penalty, subject to compensation for any break funding costs incurred by a lender and timely submission of a notice of prepayment or commitment reduction, as applicable. EVERTEC Group is required to make certain mandatory prepayments of the 2022 Credit Facilities in certain circumstances.

Interest

With respect to the 2022 Facilities and the Incremental TLA Facility, the interest rates under the Credit Facilities denominated in U.S. Dollars, are based on, at EVERTEC Group’s option (a) the Adjusted Term SOFR, which means SOFR plus 10 basis points, for the Interest Period in effect for such borrowing plus an applicable margin of 1.50% per annum, which applicable margin is subject to four 25 bps step-ups (i.e. 1.75%, 2.00%, 2.25% or 2.50% per annum) based upon the Company’s total net leverage ratio or (b) the ABR plus an applicable margin of 0.50% per annum, which applicable margin is subject to four 25 bps step-ups (i.e. 0.75%, 1.00%, 1.25% or 1.50% per annum) based upon the Company’s total net leverage ratio. Borrowings under the Revolving Facility that are denominated in a currency other than Dollars will bear interest at the Alternative Currency Rate for the Interest Period in effect for such borrowing plus an applicable margin of 1.50% per annum, which applicable margin is subject to four 25 bps step-ups (i.e. 1.75%, 2.00%, 2.25% or 2.50% per annum) based upon the Company’s total net leverage ratio.

EVERTEC, Inc. Notes to Consolidated Financial Statements

With respect to the New TLB Facility, the interest rates are based on, at EVERTEC Group's option (a) the Adjusted Term SOFR, which means SOFR plus 10 basis points, for the Interest Period in effect for such borrowing plus an applicable margin of 2.75% per annum or (b) the ABR plus an applicable margin of 1.75% per annum.

Guarantees and Collateral

The Credit Facilities are secured by substantially all assets of EVERTEC and its existing and future material subsidiaries (including EVERTEC Group), subject to customary exceptions. EVERTEC and each of EVERTEC's existing and future material wholly-owned subsidiaries (including EVERTEC Group with respect to the obligations of EVERTEC and its existing and future material wholly-owned subsidiaries (other than EVERTEC Group)), subject to certain customary exceptions, guarantee repayment of the Credit Facilities.

In connection with the Credit Agreement, on December 1, 2022, EVERTEC, EVERTEC Group and the subsidiary guarantors party thereto, entered into a Guarantee Agreement (the "Guarantee Agreement"), pursuant to which EVERTEC Group's obligations under the Credit Facilities and under any cash management, interest rate protection or other hedging arrangements entered into with a lender or any affiliate thereof are guaranteed by EVERTEC and each of EVERTEC's existing wholly-owned subsidiaries (other than EVERTEC Group) and subsequently acquired or organized subsidiaries, subject to certain exceptions.

In addition, on December 1, 2022, EVERTEC, EVERTEC Group and the subsidiaries party thereto, entered into a Collateral Agreement (the "Collateral Agreement"), pursuant to which, subject to certain exceptions, the Credit Facilities are secured, to the extent legally permissible, by substantially all of the assets of (1) EVERTEC, including a perfected pledge of all of the limited liability company interests of EVERTEC Intermediate Holdings, LLC ("Holdings"), (2) Holdings, including a perfected pledge of all of the limited liability company interests of EVERTEC Group and (3) EVERTEC Group and the subsidiary guarantors, including but not limited to: (a) a pledge of substantially all capital stock held by EVERTEC Group or any guarantor and (b) a perfected security interest in substantially all tangible and intangible assets of EVERTEC Group and each guarantor.

Covenants

The Credit Facilities are subject to customary affirmative and negative covenants. The negative covenants in the Credit Facilities include, among other things, limitations (subject to exceptions) on the ability of EVERTEC and its restricted subsidiaries to:

- declare dividends and make other distributions;
- redeem or repurchase capital stock;
- grant liens;
- make loans or investments (including acquisitions);
- merge or enter into acquisitions
- sell assets;
- enter into any sale or lease-back transactions;
- incur additional indebtedness;
- prepay, redeem or repurchase certain indebtedness;
- modify the terms of certain debt;
- restrict dividends from subsidiaries;
- change the business of EVERTEC or its subsidiaries; and
- enter into transactions with their affiliates.

In addition, the 2022 Credit Facilities require EVERTEC Group to maintain a maximum total net leverage ratio of 4.50 to 1.00 (i) from March 31, 2023 to September 30, 2024, and 4.00 to 1.00 (ii) thereafter.

Events of Default

The events of default under the 2022 Credit Facilities include, without limitation, nonpayment, material misrepresentation, breach of covenants, insolvency, bankruptcy, certain judgments, change of control (as defined in the Credit Agreement) and cross-events of default on material indebtedness.

The unpaid principal balance at December 31, 2024 of the TLA Facility and TLB Facility were \$429.6 million and \$540.0 million. The additional borrowing capacity for the Revolving Facility at December 31, 2024 was \$193.9 million. The Company issues letters of credit against the Revolving Facility which reduce the additional borrowing capacity of the Revolving Facility. At December 31, 2024 and 2023, there were no borrowings outstanding under the revolving credit facility.

EVERTEC, Inc. Notes to Consolidated Financial Statements*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 December 31, 2024 and December 31, 2023, the unpaid principal balance of these agreements amounted to \$9.9 million and \$19.5 million, respectively. Obligations bear interest at rates ranging from 6.3% to 13.2% with maturities ranging from January 2025 through March 2027. 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 consolidated balance sheet.

Notes 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 December 31, 2024, the outstanding principal balance of the note payable on a discounted basis was \$6.5 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 consolidated balance sheet.

Interest Rate Swaps

As of December 31, 2024, the Company has three interest rate swap agreements which convert a portion of the interest rate payments on the Company's Term Loan Facility 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 consolidated statements of cash flows. Changes in the fair value of the interest rate swaps are recognized in other comprehensive (loss) income until the gains or losses are reclassified to earnings. Gains or losses reclassified to earnings are presented within interest expense in the accompanying consolidated statements of income and comprehensive (loss) income.

Swap Amendment	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%

As of December 31, 2024, the carrying amount of the derivatives included on the Company's consolidated balance sheets was an asset of \$4.3 million and a liability of \$1.4 million. As of December 31, 2023, the carrying amount of the derivatives included on the Company's consolidated balance sheets was an asset \$4.4 million and a liability of \$0.9 million. The fair value of this derivative is estimated using Level 2 inputs in the fair value hierarchy on a recurring basis.

During the years ended December 31, 2024, 2023 and 2022, the Company reclassified gains of \$8.1 million, gains of \$5.6 million and losses of \$3.0 million, respectively, from accumulated other comprehensive (loss) income into interest expense. Based on expected SOFR rates, the Company expects to reclassify gains of \$1.7 million from accumulated other comprehensive (loss) income into interest expense over the next 12 months. Refer to Note 16 - *Financial Instruments and Fair Value Measurements* for tabular disclosure of the fair value of derivatives and to Note 19 - *Equity* for tabular disclosure of gains (losses) recorded on cash flow hedging activities.

At December 31, 2024, the cash flow hedges are considered highly effective.

Note 16—Financial Instruments and Fair Value Measurements

Fair value measurement provisions establish a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. These provisions describe three levels of input that may be used to measure fair value:

Level 1: Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.

EVERTEC, Inc. Notes to Consolidated Financial Statements

Level 2: Inputs, other than quoted prices included in Level 1, which are observable for the asset or liability through corroboration with market data at the measurement date.

Level 3: Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

The Company uses observable inputs when available. Fair value is based upon quoted market prices when available. If market prices are not available, the Company may employ models that mostly use market-based inputs including yield curves, interest rates, volatilities, and credit curves, among others. The Company limits valuation adjustments to those deemed necessary to ensure that the financial instrument's fair value adequately represents the price that would be received or paid in the marketplace. Valuation adjustments may include consideration of counterparty credit quality and liquidity as well as other criteria. The estimated fair value amounts are subjective in nature and may involve uncertainties and matters of significant judgment for certain financial instruments. Changes in the underlying assumptions used in estimating fair value could affect the results. The fair value measurement levels are not indicative of risk of investment.

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value estimates are made at a specific point in time based on the type of financial instrument and relevant market information. Many of these estimates involve various assumptions and may vary significantly from amounts that could be realized in actual transactions.

Financial Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table summarizes fair value measurements by level at December 31, 2024 and 2023, for assets and liabilities measured at fair value on a recurring basis:

<i>(In thousands)</i>	Level 2	Level 3	Measured at NAV	Total
December 31, 2024				
Financial assets:				
Debt securities AFS	\$ 1,807	\$ —	\$ —	\$ 1,807
Equity securities	—	—	4,976	4,976
Interest rate swap	4,338	—	—	4,338
Financial liabilities:				
Interest rate swaps	1,351	—	—	1,351
December 31, 2023				
Financial assets:				
Debt securities AFS	2,095	—	—	2,095
Equity securities	6,447	2,966	—	9,413
Interest rate swaps	4,385	—	—	4,385
Financial liabilities:				
Interest rate swap	900	—	—	900

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. During the years ended December 31, 2024 and 2023, the Company acquired \$0.8 million and \$1.0 million, respectively, in available-for-sale debt securities. Debt securities amounting to \$1.1 million and \$1.0 million matured during 2024 and 2023, respectively. No debt securities were sold during the years ended December 31, 2024 and 2023. A provision for credit losses was not required for either December 31, 2024 or 2023. Debt securities that mature in less than 12 months are included in Prepaid and other assets on the consolidated balance sheet.

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.

EVERTEC, Inc. Notes to Consolidated Financial Statements
Interest Rate Swaps

The fair value of the Company's derivative instrument is determined using a standard valuation model. The significant inputs used in these models are readily available in public markets, or can be derived from observable market transactions, and therefore have been classified as Level 2. Inputs used in these standard valuation models for derivative instruments include the applicable forward rates and discount rates. The discount rates are based on the historical SOFR swap rates.

Equity securities

The fair value of the equity securities was calculated based on enterprise value to revenue multiples ranging from 0.4x to 8.3x, therefore classified as a Level 3 asset within the fair value hierarchy. During the year ended December 31, 2024, the Company sold equity securities with a carrying value of \$5.5 million classified as Level 3 assets within the fair value hierarchy. In connection with this sale, the Company realized a gain of \$2.5 million, recognized through other income, net in the consolidated statements of income and comprehensive (loss) income. At December 31, 2024, the Company no longer holds equity securities classified as Level 3. The fair value of the equity securities was \$3.0 million at December 31, 2023. At December 31, 2023, mutual funds classified as equity securities, were registered with the securities and exchange commission in Brazil and were broker traded and classified as Level 2.

The following table presents the changes in equity securities classified as Level 3 assets:

		Equity Securities
<i>(In thousands)</i>		
Balance at December 31, 2023	\$	2,966
Disposition of equity securities		(5,487)
Change in fair value of equity securities, recognized through Other income, net		2,521
Balance at December 31, 2024	\$	—

There were no transfers in or out of Level 3 during the years ended December 31, 2024 or December 31, 2023.

Equity Securities Measured at Net Asset Value (NAV)

At December 31, 2024, the Company holds mutual funds classified as equity securities on the Company's 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, as applicable, and estimated fair values for financial assets and liabilities at December 31, 2024 and 2023:

	December 31,			
	2024		2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<i>(In thousands)</i>				
Financial liabilities:				
2027 Term A Loan Facility	426,602	433,890	449,450	452,337
2030 Term B Loan Facility	522,327	545,400	521,233	539,325

The fair values of the term loans at December 31, 2024 and 2023 were obtained using the 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 measured at fair value in the balance sheet.

EVERTEC, Inc. Notes to Consolidated Financial Statements

The Company's financial assets and liabilities not measured at fair value are cash, short-term investments, accounts receivable, accounts payable, and deferred consideration for business combinations. The carrying values of these instruments approximate fair value.

Note 17—Other Long-Term Liabilities

As of December 31, 2024, other long-term liabilities mainly consist of an uncertain tax position of \$5.1 million, long-term portion of notes payable of \$6.5 million, deferred consideration for business combinations of \$5.5 million, estimated liabilities of \$6.5 million and other long-term liabilities of \$3.9 million.

As of December 31, 2023, other long-term liabilities mainly consist of an uncertain tax position of \$2.2 million, long-term portion of notes payable of \$7.4 million, deferred consideration for business combinations of \$15.7 million, estimated liabilities of \$13.9 million and other long-term liabilities of \$0.9 million.

Note 18—Redeemable Non-controlling Interests

At December 31, 2024, 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:

EVERTEC, Inc. Notes to Consolidated Financial Statements

	Percentage of redeemable noncontrolling interest	Earliest exercise date	Formula of redemption value
Homie Do Brasil Informatica	40%	April 1, 2025	Variable multiple of gross sales dependent upon EBITDA margin and gross sales attained times percentage of ownership
Rosk Software S.A.	49%	March 15, 2025	Variable multiple of net sales dependent upon EBITDA margin attained plus net debt times percentage of ownership
Compliasset Software e Solucoes Digitais LTDA.	40%	March 15, 2026	Variable multiple of net sales dependent upon EBITDA margin attained plus working capital, plus net debt times percentage of ownership
Lote45 Participacoes S.A.	48%	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

Given certain provisions within the options, the Company has classified the RNCI as mezzanine equity on the Company's 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 as of December 31, 2024:

<i>(In thousands)</i>	Redeemable noncontrolling interests
Balance at December 31, 2023	\$ 36,968
Net income attributable non-controlling interests	2,535
Adjustment of redeemable non-controlling interests to redemption value	6,596
Distributions from redeemable non-controlling interests	(294)
Dividends declared on redeemable non-controlling interests	(2,898)
Foreign currency translation adjustments	553
Balance at December 31, 2024	\$ 43,460

The following table presents changes in RNCI as of December 31, 2023:

<i>(In thousands)</i>	Redeemable noncontrolling interests
Balance at November 1, 2023 (Acquisition date)	\$ 39,340
Net income from redeemable non-controlling interests	365
Dividends declared on redeemable non-controlling interests	(2,737)
Balance at December 31, 2023	\$ 36,968

For the period ended December 31, 2023, there were no changes to the redemption value of RNCI.

Note 19—Equity

The Company is authorized to issue up to 206,000,000 shares of common stock of \$0.01 par value. At December 31, 2024 and 2023, the Company had 63,614,077 and 65,450,799 shares outstanding, respectively. The Company is also authorized to issue 2,000,000 shares of \$0.01 par value preferred stock. As of December 31, 2024 and 2023, no shares of preferred stock have been issued.

EVERTEC, Inc. Notes to Consolidated Financial Statements

On September 12, 2023, the Company formally registered a Brazilian Depositary Receipts program with the Brazilian securities and exchange commission, in order to have securities backed by Evertec shares trading in the B3, the Brazilian stock exchange. At December 31, 2024 and 2023, the Company had 1,164,592 shares trading in the B3.

Stock Repurchase

In 2024, 2023 and 2022, the Company repurchased a total of 2.4 million, 1.0 million, and 2.8 million shares, respectively, at a cost of \$82.3 million, \$36.1 million and \$96.6 million, respectively. The Company funded such repurchases with cash on hand and borrowings from the existing revolving credit facility. All repurchased shares in the years ended December 31, 2024, 2023 and 2022 were retired.

Dividends

The Company pays a regular quarterly dividend on common stock, subject to the declaration thereof by the Board of Directors (“Board”) each quarter. Any declaration and payment of future dividends to holders of the common stock will be at the discretion of the Board and will depend on many factors, including the financial condition, earnings, available cash, business opportunities, legal requirements, restrictions in our debt agreements and other contracts, capital requirements, level of indebtedness and other factors that the Board deems relevant. The Company’s dividend activity in 2024 and 2023 was as follows:

Declaration Date	Record Date	Payment Date	Dividend per share
February 15, 2024	February 27, 2024	March 15, 2024	0.05
April 18, 2024	April 29, 2024	June 7, 2024	0.05
July 18, 2024	July 29, 2024	September 6, 2024	0.05
October 17, 2024	October 28, 2024	December 6, 2024	0.05
February 16, 2023	February 28, 2023	March 17, 2023	0.05
April 20, 2023	May 1, 2023	June 2, 2023	0.05
July 20, 2023	July 31, 2023	September 1, 2023	0.05
October 19, 2023	October 30, 2023	December 1, 2023	0.05

Accumulated Other Comprehensive (Loss) Income

The following table provides a summary of the changes in the balances comprising accumulated other comprehensive (loss) income for the years ended December 31, 2024 and 2023:

	Foreign Currency Translation Adjustments	Cash Flow Hedge	Unrealized Gains on Debt Securities AFS	Total
Balance - December 31, 2022, net of tax	\$ (23,481)	\$ 6,954	\$ 41	\$ (16,486)
Other comprehensive income (loss) before reclassifications	38,328	1,932	(15)	40,245
Effective portion reclassified to net income	—	(5,550)	—	(5,550)
Balance - December 31, 2023, net of tax	14,847	3,336	26	18,209
Other comprehensive (loss) income before reclassifications	(152,851)	8,008	(7)	(144,850)
Effective portion reclassified to net income	—	(8,082)	—	(8,082)
Balance - December 31, 2024, net of tax	<u>\$ (138,004)</u>	<u>\$ 3,262</u>	<u>\$ 19</u>	<u>\$ (134,723)</u>

Note 20—Share-based Compensation
Long-Term Incentive Plan (“LTIP”)

During the three months ended March 31, 2022, 2023 and 2024, the Compensation Committee (the “Compensation Committee”) of the Company's Board of Directors (“Board”) approved grants of restricted stock units (“RSUs”) to executives

EVERTEC, Inc. Notes to Consolidated Financial Statements

and certain employees pursuant to the 2022 LTIP, 2023 LTIP and 2024 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 25 of each year for the 2022 LTIP, February 24 of each year for the 2023 LTIP and February 28 of each year for the 2024 LTIP. In 2022 and 2023, the Company also granted time-based awards with a three year service vesting period which will cliff vest on February 25, 2025 and February 24, 2026, respectively.

For the performance-based awards under the 2022 LTIP, 2023 LTIP, and 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 25, 2025 for the 2022 LTIP, February 24, 2026 for the 2023 LTIP and February 28, 2026 for the 2024 LTIP. 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 the nonvested RSUs activity for the years ended December 31, 2024, 2023 and 2022:

Nonvested RSUs	Shares	Weighted average grant date fair value
Nonvested at December 31, 2021	1,086,329	\$ 34.73
Granted	709,350	41.90
Vested	(421,764)	33.02
Forfeited	(10,135)	37.66
Nonvested at December 31, 2022	1,363,780	38.96
Granted	1,072,494	37.53
Vested	(608,800)	36.92
Forfeited	(28,462)	39.46
Nonvested at December 31, 2023	1,799,012	39.42
Granted	1,161,455	36.76
Vested	(791,833)	39.25
Forfeited	(164,370)	36.01
Nonvested at December 31, 2024	2,004,264	\$ 38.71

Share-based compensation recognized was as follows:

(In thousands)	Years ended December 31,		
	2024	2023	2022
Share-based compensation recognized, net RSUs	\$ 30,275	\$ 25,732	\$ 19,956

The maximum unrecognized cost for restricted stock units was \$38.1 million as of December 31, 2024. The cost is expected to be recognized over a weighted average period of 1.9 years.

EVERTEC, Inc. Notes to Consolidated Financial Statements
Note 21—Employee Benefit Plan

EVERTEC, Inc. Puerto Rico Savings and Investment plan (“the EVERTEC Savings Plan”) was established in 2010, as a defined contribution savings plan qualified under section 1165(e) of the Puerto Rico Internal Revenue Code. Investments in the plan are participant directed, and employer matching contributions are determined based on specific provisions of the EVERTEC Savings Plan. Employees are fully vested in the employer’s contributions after five years of service. For the years ended December 31, 2024, 2023 and 2022, the costs incurred under the plan amounted to approximately \$1.4 million, \$1.4 million and \$1.1 million, respectively.

Note 22—Total Other Income (Expenses)

For the year ended December 31, 2024, other income (expenses) is primarily comprised of a \$8.9 million net gain in research and development tax credits in Puerto Rico, \$3.2 million in realized gains on foreign currency transactions, a \$3.1 million gain on sale of investments and a \$0.5 million realized gain for change in fair market value.

For the year ended December 31, 2023, other income (expenses) is primarily comprised of \$3.6 million in realized gains on foreign currency transactions, a \$1.4 million loss on extinguishment of debt and a \$1.2 million loss on change in fair value of equity securities.

For the year ended December 31, 2022, other income (expenses) is primarily comprised of \$2.4 million in realized gains on foreign transactions and \$1.3 million loss on extinguishment of debt.

Note 23—Income Tax

EVERTEC Group and Holdings are Puerto Rico limited liability companies that are treated as partnerships that are pass-through entities for Puerto Rico tax purposes, therefore, taxable income flows through to EVERTEC, Inc.

EVERTEC Group, Holdings and EVERTEC, Inc. entered into a Tax Payment Agreement pursuant to which EVERTEC Group is required to make certain payments to Holdings or EVERTEC, Inc. for taxable periods or portions thereof occurring on or after April 17, 2012 (the “Effective Date”). Under the Tax Payment Agreement, EVERTEC Group will make payments with respect to any and all taxes (including estimated taxes) imposed under the laws of Puerto Rico, the United States of America and any other jurisdiction or any political (including municipal) subdivision or authority or agency in Puerto Rico, the United States of America or such other jurisdiction, that would have been imposed on EVERTEC Group if EVERTEC Group had been a corporation for tax purposes of that jurisdiction, together with all interest and penalties with respect thereto (“Taxes”), reduced by taking into account any applicable net operating losses or other tax attributes of Holdings or EVERTEC, Inc. that reduce Holdings’ or EVERTEC, Inc.’s taxes in such period. The Tax Payment Agreement provides that the payments thereunder shall not exceed the net amount of Taxes that Holdings and EVERTEC, Inc. actually owe to the appropriate taxing authority for a taxable period. Further, the Tax Payment Agreement provides that if Holdings or EVERTEC, Inc. receives a tax refund attributable to any taxable period or portion thereof occurring on or after the Effective Date, EVERTEC, Inc. shall be required to recalculate the payment for such period required to be made by EVERTEC Group to Holdings or EVERTEC, Inc. If the payment, as recalculated, is less than the amount of the payment EVERTEC Group already made to Holdings or EVERTEC, Inc. in respect of such period, Holdings or EVERTEC, Inc. shall promptly make a payment to EVERTEC Group in the amount of such difference.

The components of income tax expense consisted of the following:

	Years ended December 31,		
	2024	2023	2022
(In thousands)			
Current tax provision	\$ 31,573	\$ 21,621	\$ 29,418
Deferred tax benefit	(26,726)	(16,144)	(435)
Income tax expense	\$ 4,847	\$ 5,477	\$ 28,983

EVERTEC, Inc. Notes to Consolidated Financial Statements

The Company conducts operations in Puerto Rico and certain countries in Latin America. As a result, the income tax expense includes the effect of taxes paid to the government of Puerto Rico as well as foreign jurisdictions. The following table presents the components of income tax expense and its segregation based on location of operations:

(In thousands)	Years ended December 31,		
	2024	2023	2022
Income before income tax provision			
Puerto Rico	\$ 94,287	\$ 64,096	\$ 246,049
United States	683	627	273
Foreign countries	24,656	20,630	21,530
Total income before income tax provision	\$ 119,626	\$ 85,353	\$ 267,852
Current tax provision			
Puerto Rico	\$ 6,055	\$ 3,187	\$ 9,096
United States	270	141	389
Foreign countries	25,248	18,293	19,933
Total current tax provision	\$ 31,573	\$ 21,621	\$ 29,418
Deferred tax (benefit) provision			
Puerto Rico	\$ (13,775)	\$ (9,991)	\$ 4,564
United States	33	54	6
Foreign countries	(12,984)	(6,207)	(5,005)
Total deferred tax benefit	\$ (26,726)	\$ (16,144)	\$ (435)

Taxes payable to foreign countries by EVERTEC's subsidiaries will be paid by such subsidiary and the corresponding liability and expense will be presented in EVERTEC's consolidated financial statements.

As of December 31, 2024 and 2023, the Company had \$165.2 million and \$137.0 million of unremitted earnings from foreign subsidiaries, respectively. The Company has not recognized a deferred tax liability on undistributed earnings for the Company's foreign subsidiaries because these earnings are intended to be indefinitely reinvested. The amount of the unrecognized deferred tax liability depends on judgment required to analyze the withholding tax due, the applicable tax law and factual circumstances in effect at the time of any such distributions. EVERTEC believes it is not practicable at this time to reliably determine the amount of unrecognized deferred tax liability related to the Company's undistributed earnings. If circumstances change and it becomes apparent that some or all of the undistributed earnings of a subsidiary will be remitted, and income taxes have not been recognized by the parent entity, the parent entity shall accrue as an expense of the current period income taxes attributable to that remittance.

On October 19, 2012, EVERTEC Group was granted a tax exemption under the Tax Incentive Act No. 73 of 2008. Under this grant, EVERTEC Group will benefit from a preferential income tax rate on industrial development income, as well as from tax exemptions with respect to its municipal and property tax obligations for certain activities derived from its data processing operations in Puerto Rico. The grant has a term of 15 years effective as of January 1, 2012 with respect to income tax obligations and January 1, 2013 with respect to municipal and property tax obligations. Industrial development income under this grant is subject to a preferential rate of 4%.

The grant contains customary commitments, conditions, and representations that EVERTEC Group will be required to comply with in order to maintain the grant. The more significant commitments include: (i) maintaining at least 700 employees in EVERTEC Group's Puerto Rico data processing operations, (ii) investing at least \$200.0 million in building, machinery, equipment or computer programs to be used in Puerto Rico during the effective term of the grant (to be made over four-year capital investment cycles in \$50.0 million increments); and (iii) 80% of EVERTEC Group employees must be residents of Puerto Rico. Failure to meet the requirements could result, among other things, in reductions of the benefits of the grant or revocation of the grant in its entirety, which could result in EVERTEC, Inc. paying additional taxes or other payments relative to what would be required to pay to other municipal agencies if the full benefits of the grant are not available.

On October 11, 2011, Evertec Group was granted a tax exemption under Tax Incentive Law No. 73 of 2008, retroactively to December 1, 2009. Under this grant, activities derived from consulting and data processing services provided outside Puerto Rico are subject to a preferred rate that declines gradually from 7% to 4% by December 1, 2013. After this date, the rate

EVERTEC, Inc. Notes to Consolidated Financial Statements

remains at 4% until its expiration on November 30, 2024. In November 2024, prior to the expiration of the grant, EVERTEC submitted a request for renovation of the tax exemption decree under the current Puerto Rico Incentives Code, Act 60.

In addition, in August 2018, the Puerto Rico Industrial Development Company approved the requested extension of a grant under Tax Incentive Law No. 135 of 1997 for EVERTEC Group. Under this grant, activities derived from certain development and installation service in excess of a determined income are subject to a fixed tax rate of 10% for a 10-year period from January 1, 2018.

The following table presents the components of the Company's deferred tax assets and liabilities:

<i>(In thousands)</i>	December 31,	
	2024	2023
Deferred tax assets ("DTA")		
Allowance for doubtful accounts	\$ 201	\$ 430
Unearned income	8,628	6,426
Lease liability	1,324	1,940
Share-based compensation	2,785	2,442
Accrued liabilities	9,419	10,255
Net operation losses	43,219	33,689
Other	3,439	5,664
Total gross deferred tax assets	69,015	60,846
Deferred tax liabilities ("DTL")		
Capitalized salaries	2,486	2,514
Difference between the assigned values and the tax basis of assets and liabilities recognized in business combinations	67,298	89,582
Right of use asset	1,290	1,716
Amortization of tax goodwill on business combination	5,193	1,808
Other	3,682	5,296
Total gross deferred tax liabilities	79,949	100,916
Deferred tax liability, net	\$ (10,934)	\$ (40,070)

As of December 31, 2024 and 2023, the net deferred tax liability and asset amounted to \$5.6 million and \$35.5 million, respectively, with a valuation allowance of approximately \$5.3 million and \$4.6 million, respectively, included as part of other deferred tax assets, for a net deferred tax liability after valuation allowance of approximately \$10.9 million and \$40.1 million, respectively.

Pursuant to the provision of the PR Code, net operating losses ("NOL") can be carried forward for a period of seven, ten or twelve taxable years, depending on the taxable year generated. Act 72 of May 29, 2015, limited the amount of NOLs deduction to 80% for regular tax and 70% for alternative minimum tax ("AMT") for taxable years commencing after December 31, 2014. However, Act 257 of 2018 limits the deduction of NOLs to 90% for regular tax for tax years commencing after December 31, 2018. In the case of a partner's distributive share of partnership loss, including capital loss, it is limited to the adjusted basis of their interest in the partnership at the end of the partnership year in which the loss occurred. If a partner's share of the loss exceeds their adjusted basis, the excess loss is not deductible in the current year. Instead, this excess loss can be carried forward and deducted in future years when the partner's adjusted basis increases, typically through additional contributions to the partnership or through partnership income.

At December 31, 2024, the Company has \$65.0 million and \$68.5 million in NOL carryforwards related to Puerto Rico industrial development income, United States and foreign countries, respectively, available to offset future eligible income. The NOL balance as of December 31, 2024 expires as follows:

EVERTEC, Inc. Notes to Consolidated Financial Statements
(In thousands)

2028	\$	109
2029		1,657
2030		2,926
2031		3,430
2032		2,219
2033		1,724
2034		4,486
2035		520
Indefinitely		115,667

The Company recognizes the benefit of uncertain tax positions (“UTPs”) only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement.

The following is a tabular reconciliation of the total amounts of UTPs:

<i>(In thousands)</i>	Years ended December 31,		
	2024	2023	2022
Balance, beginning of year	\$ 5,902	\$ 1,480	\$ 3,951
Gross increases—tax positions in prior period	—	70	62
Gross decreases—tax positions in prior period	(758)	—	(35)
Gross increases—tax positions in current period	—	4,996	—
Lapse of statute of limitations	(2,290)	(644)	(2,498)
Balance, end of year	\$ 2,854	\$ 5,902	\$ 1,480

As of December 31, 2024, 2023 and 2022, approximately \$2.9 million, \$5.9 million and \$1.5 million, respectively, would have affected the Company’s effective income tax rate, if recognized.

The Company recognizes interest and penalties related to UTB as part of income tax expense. During the years ended December 31, 2024, 2023 and 2022, the Company recognized an income tax expense of \$0.7 million, \$0.8 million and \$0.2 million, respectively, related to interest and penalties. The amount accrued for interest and penalties at December 31, 2024 and 2023 was \$2.9 million and \$5.6 million, respectively. The Company estimates that it is reasonably possible that the liability for uncertain tax position created from acquisitions in foreign jurisdictions will decrease by approximately \$2.3 million in the next 12 months as a result of the statute of limitations.

In connection with tax return examinations, contingencies can arise that generally result from different interpretations of tax laws and regulations as they pertain to the amount, timing or inclusion of revenues and expenses in taxable income, or the ability to utilize tax credits to reduce income taxes payable. While it is probable, based on the potential outcome of the Company’s Puerto Rico and foreign tax examinations or the statute of limitations for specific jurisdictions, that the liability for UTBs may increase or decrease within the next twelve months, the Company does not expect any such change would have a material effect on our financial condition, results of operations or cash flow.

The Company and its subsidiaries are subject to Puerto Rico income tax as well as income tax of multiple foreign jurisdictions. A significant majority of the income tax is from Puerto Rico and Costa Rica, while certain entities in Brazil have tax benefits resulting from the amortization of goodwill and other intangible assets for tax purposes. The income tax returns for 2020, 2021, 2022, and 2023 are currently open for examination for these jurisdictions, while 2014 and 2015 2018 and 2019 is also open for examination for Costa Rica Puerto Rico, and 2019 for Brazil.

EVERTEC, Inc. Notes to Consolidated Financial Statements

The income tax expense differs from the amount computed by applying the Puerto Rico statutory income tax rate of 37.5% to the income before income taxes as a result of the following:

(In thousands)	Years ended December 31,		
	2024	2023	2022
Computed income tax at statutory rates	\$ 44,859	\$ 32,007	\$ 100,445
Differences in tax rates due to multiple jurisdictions	4,823	4,038	3,347
Excess tax benefits on share-based compensation	(502)	(81)	348
Effect of income subject to tax-exemption grant	(43,808)	(30,123)	(34,638)
Effect of the gain on sale of a business	—	—	(39,645)
Unrecognized tax (benefit) expense	(3,492)	(1,083)	(3,438)
Tax credits for research and development activities	—	(884)	—
Valuation allowance	—	2,194	—
Other, net	2,967	(591)	2,564
Income tax expense	<u>\$ 4,847</u>	<u>\$ 5,477</u>	<u>\$ 28,983</u>

Note 24—Net Income Per Common Share

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

(Dollar amounts in thousands, except share and per share data)	Years ended December 31,		
	2024	2023	2022
Net income available to EVERTEC, Inc.'s common shareholders	\$ 112,620	\$ 79,722	\$ 239,009
Weighted average common shares outstanding	64,286,725	64,932,114	68,701,434
Weighted average potential dilutive common shares ⁽¹⁾	790,810	882,203	611,283
Weighted average common shares outstanding—assuming dilution	65,077,535	65,814,317	69,312,717
Net income per common share—basic	\$ 1.75	\$ 1.23	\$ 3.48
Net income per common share—diluted	\$ 1.73	\$ 1.21	\$ 3.45

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

Refer to Note 19 - *Equity* for a detail of dividends declared and paid during 2024 and 2023.

Note 25—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 or financial condition 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 for such legal proceedings. However, the Company at this time believes that any loss related to these latter claims will not be material.

Leases

The Company has operating leases for certain office facilities, buildings, telecommunications and other equipment; and finance leases for certain equipment. The Company's lease contracts have remaining terms ranging from 1 year to 5 years, some of which may include options to extend the leases for up to 5 years, and some which may include the option to terminate the lease within 1 year.

EVERTEC, Inc. Notes to Consolidated Financial Statements

Total lease cost consisted of the following:

<i>(in thousands)</i>	Years ended December 31,	
	2024	2023
Operating lease cost	\$ 7,821	\$ 7,273
Variable lease cost	2,943	2,910
Total lease costs	\$ 10,764	\$ 10,183

Other Balance Sheet information related to operating leases was as follows:

<i>(In thousands)</i>	December 31,	
	2024	2023
Right-of-use assets obtained in exchange for operating lease obligations	\$ 3,920	\$ 7,176
Weighted average remaining lease term, in years	3	3
Weighted average discount rate	3.8%	0.9%

The following table presents the balance of Operating lease obligations:

<i>(In thousands)</i>	December 31,	
	2024	2023
Operating lease liability - current	\$ 6,229	\$ 6,693
Operating lease liability - long-term	4,924	9,033
Total operating lease liabilities	\$ 11,153	\$ 15,726

Future minimum operating lease payments at December 31, 2024 were as follows:

<i>(In thousands)</i>	
2025	8,177
2026	3,408
2027	2,568
2028	1,186
2029	193
Thereafter	12
Total future minimum lease payments	15,544
Less: imputed interest	(4,391)
Total	\$ 11,153

Note 26—Segment Information

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.

EVERTEC, Inc. Notes to Consolidated Financial Statements

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, 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 and consortium, in addition to software used to execute processes such as digital onboarding, digital signature and digital collection; 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 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. 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. Adjusted EBITDA, as it relates to operating segments, 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 include personnel costs, professional fees, equipment 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.

EVERTEC, Inc. Notes to Consolidated Financial Statements

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:

	December 31, 2024				
(In thousands)	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total Reportable Segments
Total revenues	\$ 139,343	\$ 281,668	\$ 180,500	\$ 243,975	\$ 845,486
Intersegment revenues	75,406	21,116	—	—	96,522
Total segment revenues ⁽¹⁾	214,749	302,784	180,500	243,975	942,008
Less: Other segment items ⁽²⁾	(93,359)	(223,103)	(107,868)	(141,306)	(565,636)
Segment Adjusted EBITDA	\$ 121,390	\$ 79,681	\$ 72,632	\$ 102,669	\$ 376,372

- (1) Total segment revenues include intersegment revenues eliminated on a consolidated basis. Intersegment revenue eliminations predominantly reflect the \$57.6 million processing fee from Payments Services - Puerto Rico & Caribbean to Merchant Acquiring, intercompany software developments and transaction processing of \$21.1 million from Latin America Payments and Solutions to Payment Services-Puerto Rico & Caribbean and Business Solutions, and transaction processing and monitoring fees of \$17.8 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, 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.

	December 31, 2023				
(In thousands)	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total Reportable Segments
Total revenues	\$ 135,973	\$ 169,410	\$ 162,366	\$ 226,960	\$ 694,709
Intersegment revenues	67,259	17,093	—	—	84,352
Total segment revenues ⁽¹⁾	203,232	186,503	162,366	226,960	779,061
Less: Other segment items ⁽²⁾	(84,966)	(126,345)	(101,374)	(140,080)	(452,765)
Segment Adjusted EBITDA	\$ 118,266	\$ 60,158	\$ 60,992	\$ 86,880	\$ 326,296

- (1) Total segment revenues include intersegment revenues eliminated on a consolidated basis. Intersegment revenue eliminations predominantly reflect the \$52.9 million processing fee from Payments Services - Puerto Rico & Caribbean to Merchant Acquiring, intercompany software developments and transaction processing of \$17.1 million from Latin America Payments and Solutions to Payment Services-Puerto Rico & Caribbean and Business Solutions, and transaction processing and monitoring fees of \$14.3 million from Payment Services - Puerto Rico & Caribbean to Latin America Payments and Solutions.

EVERTEC, Inc. Notes to Consolidated Financial Statements

- (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.

	December 31, 2022				
	Payment Services - Puerto Rico & Caribbean	Latin America Payments and Solutions	Merchant Acquiring, net	Business Solutions	Total Reportable Segments
(In thousands)					
Total revenues	\$ 118,261	\$ 113,764	\$ 151,085	\$ 235,299	\$ 618,409
Intersegment revenues	60,220	14,457	—	—	74,677
Total segment revenues ⁽¹⁾	178,481	128,221	151,085	235,299	693,086
Less: Other segment items ⁽²⁾	(77,621)	(85,614)	(87,478)	(134,731)	(385,444)
Segment Adjusted EBITDA	\$ 100,860	\$ 42,607	\$ 63,607	\$ 100,568	\$ 307,642

- (1) Total segment revenues include intersegment revenues eliminated on a consolidated basis. Intersegment revenue eliminations predominantly reflect the \$49.5 million processing fee from Payments Services - Puerto Rico & Caribbean to Merchant Acquiring, intercompany software developments and transaction processing of \$14.5 million from Latin America Payments and Solutions to Payment Services-Puerto Rico & Caribbean and Business Solutions, and transaction processing and monitoring fees of \$10.7 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:

	Years ended December 31,		
	2024	2023	2022
(In thousands)			
Segment Adjusted EBITDA	\$ 376,372	\$ 326,296	\$ 307,642
Elimination of intersegment revenues	(96,522)	(84,352)	(74,677)
Other corporate expenses ⁽¹⁾	60,378	50,027	43,155
Compensation and benefits ⁽²⁾	(31,644)	(29,312)	(20,335)
Transaction, refinancing and other fees ⁽³⁾	4,217	(53,545)	118,860
Earnings of equity method investments, net of dividends received	1,270	1,945	1,121
Loss on foreign currency remeasurement ⁽⁴⁾	(5,198)	(8,276)	(7,645)
Interest income	13,332	8,512	3,121
Interest expense	(74,733)	(32,321)	(24,772)
Depreciation and amortization	(127,846)	(93,621)	(78,618)
Income before income taxes	\$ 119,626	\$ 85,353	\$ 267,852

- (1) The other corporate expenses category consists of corporate overhead expenses and other non-operating expenses that are not included in the reportable segment, as well as intersegment eliminations.
- (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 and the elimination of unrealized earnings from equity investments, net of dividends received.
- (4) Represents non-cash unrealized gains (losses) on foreign currency remeasurement for assets and liabilities denominated in non-functional currencies.

EVERTEC, Inc. Notes to Consolidated Financial Statements

The geographic information below is classified based on the geographic location of the Company's subsidiaries:

(In thousands)	Years ended December 31,		
	2024	2023	2022
Revenues ⁽¹⁾			
Puerto Rico	\$ 543,568	\$ 505,246	\$ 481,676
Caribbean	20,250	20,053	22,969
Latin America	281,668	169,410	113,764
Total Revenues	\$ 845,486	\$ 694,709	\$ 618,409

(1) Revenues are based on subsidiaries' country of domicile.

Major customers

The Company has revenue concentration with Popular, revenues as a percentage of total revenues, were 31%, 35% and 39%, for the years ended December 31, 2024, 2023 and 2022, respectively.

The Company's next largest customer, the Government of Puerto Rico, consolidating all individual agencies and public corporations, represented 5%, 7%, and 7% of the Company's total revenues for the years ended December 31, 2024, 2023 and 2022, respectively.

Revenues related to Popular and the Government of Puerto Rico are both related to the Payment Services - Puerto Rico & Caribbean and Business Solutions segments.

Long-lived assets

Long-lived assets, excluding goodwill and other intangible assets, by location as of December 31, 2024 and 2023 were as follows:

(In thousands)	Years ended December 31,	
	2024	2023
Puerto Rico	\$ 44,563	\$ 43,627
Latin America	17,496	18,826
Total Property and equipment, net	\$ 62,059	\$ 62,453

Note 27—Subsequent Events

On February 20, 2025, 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 March 21, 2025 to stockholders of record as of the close of business on March 3, 2025. The Board anticipates declaring this dividend in future quarters on a regular basis; however future declarations of dividends are subject to Board's approval and may be adjusted as business needs or market conditions change.

Schedule I**EVERTEC, Inc. Condensed Financial Statements****Parent Company Only****Condensed Balance Sheets**

	December 31,	
	2024	2023
<i>(In thousands)</i>		
Assets		
Current assets:		
Cash	\$ 1,683	\$ 2,118
Prepaid expenses and other assets	17	5,908
Total current assets	1,700	8,026
Investment in subsidiaries, at equity	482,665	617,025
Deferred tax asset, net	22,934	8,640
Total assets	<u>\$ 507,299</u>	<u>\$ 633,691</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accrued liabilities	\$ 280	\$ 374
Accounts payable	34,335	39,024
Income tax payable	160	—
Total liabilities	<u>\$ 34,775</u>	<u>\$ 39,398</u>
Stockholders' equity:		
Common stock	636	654
Additional paid-in capital	7,003	36,527
Accumulated earnings	599,608	538,903
Accumulated other comprehensive (loss) income, net of tax	(134,723)	18,209
Total stockholders' equity	<u>472,524</u>	<u>594,293</u>
Total liabilities and stockholders' equity	<u>\$ 507,299</u>	<u>\$ 633,691</u>

Schedule I

Condensed Statements of Income and Comprehensive (Loss) Income

<i>(In thousands)</i>	Years ended December 31,		
	2024	2023	2022
Non-operating income (expenses)			
Equity in earnings of subsidiaries	\$ 100,545	\$ 71,600	\$ 72,549
Interest income	592	497	290
Other expenses	(2,037)	(1,956)	166,745
Income before income taxes	99,100	70,141	239,584
Income tax (expense) benefit	(13,520)	(9,581)	575
Net income	112,620	79,722	239,009
Other comprehensive (loss) income, net of tax			
Foreign currency translation adjustments	(152,851)	38,328	12,490
(Loss) gain on cash flow hedges	(74)	(3,618)	19,215
Unrealized loss on change in fair value of debt securities available-for-sale	(7)	(15)	(68)
Total comprehensive (loss) income	\$ (40,312)	\$ 114,417	\$ 270,646

Condensed Statements of Cash Flows

<i>(In thousands)</i>	Years ended December 31,		
	2024	2023	2022
Cash flows from operating activities	\$ 104,701	\$ 55,515	\$ 116,052
Cash flows from financing activities			
Dividends paid	(12,873)	(13,025)	(13,772)
Repurchase of common stock	(82,293)	(36,096)	(96,595)
Withholding taxes paid on share-based compensation	(9,970)	(5,956)	(5,685)
Net cash used in financing activities	(105,136)	(55,077)	(116,052)
Net change in cash	(435)	438	—
Cash at beginning of the period	2,118	1,680	1,680
Cash at end of the period	\$ 1,683	\$ 2,118	\$ 1,680

SECOND AMENDMENT TO CREDIT AGREEMENT

This **SECOND AMENDMENT TO CREDIT AGREEMENT** (this “Second Amendment”) is dated as of May 16, 2024, and entered into by and among EVERTEC, INC., a Puerto Rico corporation (“Parent”), EVERTEC GROUP, LLC, a Puerto Rico limited liability company (the “Borrower”), TRUIST BANK, as administrative agent (the “Administrative Agent”), at the direction of and on behalf of the Lenders described in Section 2.A. hereof, and, for purposes of Section 5 hereof, the other Loan Parties listed on the signature pages hereof, and is made with reference to that certain Credit Agreement, dated as of December 1, 2022 (as amended by that certain First Amendment to Credit Agreement, dated as of October 30, 2023 and as further amended, restated, amended and restated, supplemented or otherwise modified through the date hereof prior to the effectiveness of this Second Amendment on the Second Amendment Effective Date (as defined below), the “Existing Credit Agreement”; the Existing Credit Agreement as amended by this Second Amendment, the “Amended Credit Agreement”), by and among Parent, the Borrower, the Lenders and L/C Issuers party thereto from time to time and Truist Bank, as Administrative Agent, Collateral Agent, Swingline Lender and an L/C Issuer. Capitalized terms used herein without definition shall have the same meanings herein as set forth in the Amended Credit Agreement.

WITNESSETH:

WHEREAS, the Borrower has requested an amendment to the Existing Credit Agreement pursuant to which certain provisions of the Existing Credit Agreement will be amended as set forth herein;

WHEREAS, Section 9.08 of the Existing Credit Agreement provides that the parties hereto may amend the Existing Credit Agreement for the purposes set forth herein;

WHEREAS, the Borrower has appointed each of Truist Securities, Inc., Banco Popular de Puerto Rico, Citizens Bank, N.A., Fifth Third Bank, National Association and Firstbank Puerto Rico to act as joint lead arrangers and joint bookrunners under the Amended Credit Agreement and this Second Amendment (in such capacities, the “Second Amendment Arrangers”); and

WHEREAS, each Lender holding Incremental Term B Loans outstanding immediately prior to the effectiveness of this Second Amendment on the Second Amendment Effective Date (such Incremental Term B Loans, the “Existing Incremental Term B Loans”, and such Lenders holding such Existing Incremental Term B Loans, the “Existing Incremental Term B Lenders”) and each other Lender that executes and delivers a consent (a “Consent”) to this Second Amendment will have agreed to the terms of this Second Amendment upon the effectiveness of this Second Amendment on the Second Amendment Effective Date.

Now, therefore, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

Section 1. AMENDMENT TO CREDIT AGREEMENT

Effective as of the Second Amendment Effective Date, the Existing Credit Agreement is hereby amended as follows:

A. The following definitions are hereby added to Section 1.01 of the Existing Credit Agreement in the correct alphabetical order:

“Second Amendment” shall mean the Second Amendment to Credit Agreement, dated as of the Second Amendment Effective Date, among Parent, the Borrower, the other Loan Parties party thereto, the Lenders and other Persons party thereto and the Administrative Agent.

“Second Amendment Arrangers” shall have the meaning assigned to such term in the Second Amendment.

“Second Amendment Effective Date” shall mean May 16, 2024.

B. The definition of “Applicable Margin” in Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating such definition in its entirety as follows:

““Applicable Margin” shall mean for any day (i) with respect to any Term A Loan, 1.50% per annum in the case of any SOFR Loan and 0.50% per annum in the case of any ABR Loan, (ii) (x) prior to the Second Amendment Effective with respect to any Incremental Term B Loan, 3.50% per annum in the case of any SOFR Loan and 2.50% per annum in the case of any ABR Loan and (y) on and after the Second Amendment Effective with respect to any Incremental Term B Loan, 3.25% per annum in the case of any SOFR Loan and 2.25% per annum in the case of any ABR Loan, (iii) with respect to any Revolving Facility Loan, (A) 1.50% per annum in the case of any SOFR Loan or Alternative Currency Loan and (B) 0.50% per annum in the case of any ABR Loan and (iv) with respect to Swingline Loans, 0.50% per annum; provided, that on and after the first Adjustment Date after the Closing Date, the Applicable Margin with respect to any Term A Loan, Revolving Facility Loans and Swingline Loans will be determined pursuant to the Pricing Grid.”

C. The definition of “Joint Bookrunners” in Section 1.01 of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

““Joint Bookrunners” shall mean (i) Truist Securities, Inc., Banco Popular de Puerto Rico, Citizens Bank, N.A., Fifth Third Bank, National Association and Firstbank Puerto Rico, in their capacities as joint bookrunners of the facilities hereunder on the Closing Date, (ii) the First Amendment Arrangers and (iii) the Second Amendment Arrangers.”

D. The definition of “Joint Lead Arrangers” in Section 1.01 of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

““Joint Lead Arrangers” shall mean (i) Truist Securities, Inc., Banco Popular de Puerto Rico, Citizens Bank, N.A., Fifth Third Bank, National Association and Firstbank Puerto Rico, in their capacities as joint lead arrangers of the facilities hereunder on the Closing Date, (ii) the First Amendment Arrangers and (iii) the Second Amendment Arrangers.”

E. The definition of “Loan Documents” in Section 1.01 of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

““Loan Documents” shall mean this (i) Agreement, (ii) the Guarantee Agreement, (iii) the Letters of Credit, (iv) each Issuer Document, (v) the Security Documents, (vi) any Notes, (vii) any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.26, (viii) each Additional Credit Extension Amendment, (ix) amendments, supplements and joinders to the Loan Documents, (x) the First Amendment and (xi) the Second Amendment.”

F. Section 2.12(a) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

“(a) The Borrower shall have the right at any time and from time to time to prepay any Loan in whole or in part, without premium or penalty (except as set forth in this Section and Section 2.17), in an aggregate principal amount that is an integral multiple of the Borrowing Multiple and not less than the Borrowing Minimum or, if less, the principal amount of Loans of any Class outstanding, upon prior notice to the Administrative Agent by telephone (confirmed by facsimile) (x) in the case of an ABR Loan, not less than one Business Day prior to the date of prepayment, (y) in the case of SOFR Loans denominated in Dollars, not less than three U.S. Government Securities Business Days prior to the date of prepayment and (z) in the case of a Revolving Facility Loan denominated in an Alternative Currency, not less than four Business Days prior to the date of prepayment. Each notice delivered by the Borrower pursuant to this Section 2.12(a) shall be irrevocable; provided, that such notice may state that it is conditioned upon the effectiveness of other credit facilities or the occurrence of any transaction anticipated to occur in connection with such prepayment, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Each such notice shall be signed by a Responsible Officer of the Borrower and shall specify the date and amount of such prepayment and the Class(es) and the Type(s) of Loans to be prepaid and, if SOFR Loans or Alternative Currency are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each applicable Lender of its receipt of each such notice, and of the amount of such Lender’s pro rata share of such prepayment. In the event that, prior to the date which is six months after the Second Amendment Effective Date, the Borrower makes any prepayment or amendment of Incremental Term B Loans in connection with any Repricing Transaction (other than in connection with a Change of Control or Transformative Acquisition), the Borrower shall pay to the Administrative Agent, for the ratable account of the Incremental Term B Lenders, a prepayment premium of 1% of the amount of the Incremental Term B Loans being so prepaid, refinanced, substituted or replaced or amended.”

Section 2. CONDITIONS TO EFFECTIVENESS OF THE AMENDMENT

The amendments set forth in Section 1 hereof shall become effective only upon the satisfaction (or waiver) of the following conditions precedent (the date of satisfaction of such conditions being referred to herein as the “Second Amendment Effective Date”):

A. The Administrative Agent shall have received an executed written consent approving the amendments and consents set forth herein and authorizing the Administrative Agent to enter into this Second Amendment from Incremental Term B Lenders constituting the Required Class Lenders of the Incremental Term B Loans.

B. The Administrative Agent (or its counsel) shall have received with respect to each Loan Party, each of the items referred to in clauses (i), (ii) and (iii) below:

(i) a certificate of the Secretary or Assistant Secretary or similar officer of each Loan Party or, as applicable, the Borrower on behalf of such Loan Party, dated the Second Amendment Effective Date and certifying:

(1) that such Loan Party’s Organizational Documents most recently certified and delivered to the Administrative Agent on October 30, 2023 in connection with the First Amendment remain in full force and effect on the Second

Amendment Effective Date without modification or amendment since such original delivery,

(2) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors of the Borrower authorizing the execution, delivery and performance of this Second Amendment or any other document delivered by the Borrower in connection herewith, and that such resolutions have not been modified, rescinded or amended and are in full force and effect on the Second Amendment Effective Date,

(3) as to the incumbency and specimen signature of each officer executing this Second Amendment or any other document delivered in connection herewith on behalf of such Loan Party, and

(4) as to the absence of any pending proceeding for the dissolution or liquidation of such Loan Party;

(ii) a certificate of a director or an officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary or similar officer executing the certificate pursuant to clause (i) above; and

(iii) include as an attachment a good standing certificate or equivalent, if applicable, for each Loan Party issued by the relevant Governmental Authority of the jurisdiction of organization of such Loan Party.

C. The representations and warranties contained in Section 3 of this Second Amendment shall be true and correct in all material respects on and as of the Second Amendment Effective Date, as applicable, with the same effect as though made on and as of the Second Amendment Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects as of such applicable date).

D. On and as of the Second Amendment Effective Date, immediately after giving effect to this Second Amendment, no Default or Event of Default shall have occurred and be continuing.

E. The Administrative Agent shall have received a certificate, dated as of the Second Amendment Effective Date, signed by a Responsible Officer of the Borrower, certifying that the conditions set forth in Sections 2.C and 2.D are satisfied.

F. The Borrower shall have paid (or shall pay substantially concurrently with the effectiveness of this Second Amendment on the Second Amendment Effective Date) all accrued and unpaid interest on the Existing Incremental Term B Loans to, but not including, the Second Amendment Effective Date and shall have submitted an Interest Election Request in accordance with Section 2.08 of the Existing Credit Agreement.

G. To the extent invoiced in reasonable detail at least two (2) Business Days prior to the Second Amendment Effective Date (except as reasonably agreed to by Parent), the Administrative Agent shall have received all fees payable thereto or to any Second Amendment Arranger or Incremental Term B Lender on or prior to the Second Amendment Effective Date and all other amounts due and payable pursuant to this Second Amendment on or prior to the Second Amendment Effective Date, including, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses

(including reasonable fees, charges and disbursements of Cahill Gordon & Reindel LLP) required to be reimbursed or paid by the Loan Parties hereunder or under any Loan Document.

H. The Incremental Term B Lenders shall have received, at least three (3) Business Days prior to the Second Amendment Effective Date (or such later date as approved by such Lender), (i) all documentation and other information required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the USA PATRIOT Act and (ii) to the extent the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, a customary FinCEN beneficial ownership certificate, that in each case has been requested in writing at least ten (10) Business Days prior to the Second Amendment Effective Date (it being agreed delivery of a signed LSTA Beneficial Ownership Form shall satisfy this clause (ii)), that, in each case, has been requested in writing by the Administrative Agent to the Borrower at least ten (10) Business Days prior to the Second Amendment Effective Date.

Section 3. REPRESENTATIONS AND WARRANTIES

In order to induce the Administrative Agent, on behalf of the Lenders, to enter into this Second Amendment, the Borrower represents and warrants to each Lender and the Administrative Agent that the following statements are true, correct and complete in all material respects:

A. Corporate Power and Authority. Each Loan Party has the power and authority to execute, deliver and perform its obligations under this Second Amendment and the Amended Credit Agreement.

B. Authorization of Agreements. The Borrower has taken all necessary corporate or other organizational action to authorize the execution and delivery of this Second Amendment and the Borrower has taken all necessary organizational action to authorize the performance of the Amended Credit Agreement.

C. No Conflicts. The execution and delivery by each Loan Party of this Second Amendment and performance by each Loan Party of each of this Second Amendment and the Amended Credit Agreement (a) will not violate the Organization Documents of such Loan Party, (b) will not violate (i) any provision of law, statute, rule or regulation, or any applicable order of any court or any rule, regulation or order of any Governmental Authority in effect at the time of execution of this Second Amendment or (ii) any provision of any indenture, agreement or other instrument to which such Loan Party is a party or by which it or any of its property is or may be bound at the time of execution of this Second Amendment and (c) will not be in conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under, give rise to a right of or result in any cancellation or acceleration of any right or obligation (including any payment) or to a loss of a material benefit under any such indenture, agreement or other instrument, in each case, except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

D. Binding Obligation. Each Loan Party that is party hereto has duly executed and delivered this Second Amendment and the Amended Credit Agreement constitutes the legal, valid and binding obligation of such Loan Party enforceable against each such Loan Party in accordance with its terms, subject to (i) the effects of bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other similar laws affecting creditors’ rights generally, (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (iii) implied covenants of good faith and fair dealing.

E. Absence of Default or Event of Default. On the Second Amendment Effective Date immediately after giving effect to this Second Amendment, no Default or Event of Default shall exist and be continuing under the Existing Credit Agreement.

F. Representation and Warranties from Amended Credit Agreement. The representations and warranties contained in Article III of the Amended Credit Agreement shall be true and correct in all material respects on and as of the Second Amendment Effective Date as applicable, with the same effect as though made on and as of the Second Amendment Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects as of such applicable date).

Section 4. REPLACEMENT OF NON-CONSENTING LENDERS

Concurrently with the effectiveness of this Second Amendment, the Borrower shall be deemed to have exercised its rights under Section 2.20(c) of the Existing Credit Agreement to require each Existing Incremental Term B Lender to assign any portion of its Existing Incremental Term B Loans as to which it has not approved this Second Amendment as of such time to the Administrative Agent. By its execution of this Second Amendment, the Administrative Agent agrees to accept such assignments and approves this Second Amendment in its capacity as the assignee of any such Existing Incremental Term B Loans.

Section 5. REAFFIRMATION

By executing and delivering a counterpart hereof, (i) each Loan Party hereby agrees that, as of the Second Amendment Effective Date and after giving effect to this Second Amendment, all Obligations of the Borrower shall be guaranteed pursuant to the Guarantee Agreement in accordance with the terms and provisions thereof and shall be secured pursuant to the Security Documents in accordance with the terms and provisions thereof; and (ii) each Loan Party hereby (A) agrees that, notwithstanding the effectiveness of this Second Amendment, as of the Second Amendment Effective Date and after giving effect to this Second Amendment, the Security Documents continue to be in full force and effect, (B) agrees as of the Second Amendment Effective Date that all of the Liens and security interests created and arising under each Security Document remain in full force and effect on a continuous basis, and the perfected status and priority of each such Lien and security interest continues in full force and effect on a continuous basis, unimpaired, uninterrupted and undischarged, as collateral security for all Obligations under the Loan Documents (as modified hereby) to which it is a party, in each case, to the extent provided in, and subject to the limitations and qualifications set forth in, such Loan Documents (as amended by this Second Amendment) and (C) as of the Second Amendment Effective Date, affirms and confirms all of its obligations and liabilities under the Amended Credit Agreement and each other Loan Document (including this Second Amendment) to which it is a party, in each case, after giving effect to this Second Amendment, including its guarantee of the Obligations and the pledge of and/or grant of a security interest in its assets as Collateral pursuant to the Security Documents to secure such Obligations, all as provided in the Security Documents, and acknowledges and agrees that as of the Second Amendment Effective Date such obligations, liabilities, guarantee, pledge and grant continue in full force and effect in respect of, and to secure, such Obligations under the Amended Credit Agreement and the other Loan Documents, in each case after giving effect to this Second Amendment.

Section 6. MISCELLANEOUS

A. Effect of Second Amendment. Except as expressly set forth herein, this Second Amendment shall not, by implication or otherwise, limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of, the Lenders or the Administrative Agent under the Existing Credit Agreement or any other Loan Document, and except as expressly provided herein shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. This Second Amendment shall not constitute a novation of the Existing Credit Agreement or any other Loan Document. Nothing herein shall be deemed to establish a precedent for purposes of interpreting the provisions of the Existing Credit Agreement or entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document in similar or different circumstances. This Second Amendment shall apply to and be effective only with respect to the provisions of the Existing Credit Agreement and the other Loan Documents specifically referred to herein.

B. Reference to the Existing Credit Agreement. On and after the Second Amendment Effective Date, each reference in the Existing Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of like import, and each reference to the “Credit Agreement,” “thereunder,” “thereof,” “therein” or words of like import in any other Loan Document, shall be deemed a reference to the Amended Credit Agreement. This Second Amendment shall constitute a Repricing Transaction entered into pursuant to Section 9.08 of the Existing Credit Agreement and a “Loan Document” for all purposes of the Existing Credit Agreement and the other Loan Documents.

C. Headings. Section headings used herein are for convenience of reference only, are not part of this Second Amendment and are not to affect the construction of, or to be taken into consideration in interpreting, this Second Amendment.

D. Severability. In the event any one or more of the provisions contained in this Second Amendment should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

E. Applicable Law; WAIVER OF JURY TRIAL; Jurisdiction; Consent to Service of Process. The provisions of Sections 9.07, 9.11 and 9.15 of the Existing Credit Agreement are hereby deemed to be incorporated herein, *mutatis mutandis*. Each party to this Second Amendment hereby irrevocably and unconditionally waives any jurisdiction, other than the jurisdiction of any New York State court or federal court of the United States of America sitting in New York City in the borough of Manhattan and any appellate court from any thereof, that could apply by virtue of its present or future domicile or any other reason.

F. Counterparts. This Second Amendment may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute but one contract. Delivery of an executed counterpart of a signature page of this Second Amendment by facsimile, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature page shall be effective as delivery of a manually executed counterpart of this Second Amendment. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Second Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic

form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; *provided* that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent.

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IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Second Amendment as of the date first set forth above.

EVERTEC, INC., as Parent

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial
Officer

EVERTEC GROUP, LLC, as the Borrower

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial
Officer

EVERTEC INTERMEDIATE HOLDINGS, LLC, as
Guarantor

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial
Officer

EVERTEC COSTA RICA, S.A., as Guarantor

By: /s/ Miguel A. Arocho
Name: Miguel A. Arocho
Title: Authorized Representative

EVERTEC PANAMÁ, S.A., as Guarantor

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial
Officer

EVERTEC DOMINICANA, SAS, as Guarantor

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial
Officer

EVERTEC MÉXICO SERVICIOS DE
PROCESAMIENTO, S.A. DE C.V., as Guarantor

By: /s/ Miguel A. Arocho
Name: Miguel A. Arocho
Title: Authorized Representative

EVERTEC GUATEMALA S.A., as Guarantor

By: /s/ Miguel A. Arocho
Name: Miguel A. Arocho
Title: Authorized Representative

[Evertec - Signature Page to Second Amendment]

TRUIST BANK,
as Administrative Agent

By: /s/ Stuart Johnson
Name: Stuart Johnson
Title: Managing Director

[Evertec - Signature Page to Second Amendment]

LENDER CONSENTS ON FILE WITH ADMINISTRATIVE AGENT

THIRD AMENDMENT TO CREDIT AGREEMENT

This **THIRD AMENDMENT TO CREDIT AGREEMENT** (this “Third Amendment”) is dated as of November 26, 2024, and entered into by and among EVERTEC, INC., a Puerto Rico corporation (“Parent”), EVERTEC GROUP, LLC, a Puerto Rico limited liability company (the “Borrower”), TRUIST BANK, as administrative agent (the “Administrative Agent”), at the direction of and on behalf of the Lenders described in Section 2.A. hereof, and, for purposes of Section 5 hereof, the other Loan Parties listed on the signature pages hereof, and is made with reference to that certain Credit Agreement, dated as of December 1, 2022 (as amended by that certain First Amendment to Credit Agreement, dated as of October 30, 2023, as amended by that certain Second Amendment to Credit Agreement, dated as of May 16, 2024 and as further amended, restated, amended and restated, supplemented or otherwise modified through the date hereof prior to the effectiveness of this Third Amendment on the Third Amendment Effective Date (as defined below), the “Existing Credit Agreement”; the Existing Credit Agreement as amended by this Third Amendment, the “Amended Credit Agreement”), by and among Parent, the Borrower, the Lenders and L/C Issuers party thereto from time to time and Truist Bank, as Administrative Agent, Collateral Agent, Swingline Lender and an L/C Issuer. Capitalized terms used herein without definition shall have the same meanings herein as set forth in the Amended Credit Agreement.

WITNESSETH:

WHEREAS, the Borrower has requested an amendment to the Existing Credit Agreement pursuant to which certain provisions of the Existing Credit Agreement will be amended as set forth herein;

WHEREAS, Section 9.08 of the Existing Credit Agreement provides that the parties hereto may amend the Existing Credit Agreement for the purposes set forth herein;

WHEREAS, the Borrower has appointed each of Truist Securities, Inc., Banco Popular de Puerto Rico, Citizens Bank, N.A., Fifth Third Bank, National Association and Firstbank Puerto Rico to act as joint lead arrangers and joint bookrunners under the Amended Credit Agreement and this Third Amendment (in such capacities, the “Third Amendment Arrangers”); and

WHEREAS, each Lender holding Incremental Term B Loans outstanding immediately prior to the effectiveness of this Third Amendment on the Third Amendment Effective Date (such Incremental Term B Loans, the “Existing Incremental Term B Loans”, and such Lenders holding such Existing Incremental Term B Loans, the “Existing Incremental Term B Lenders”) and each other Lender that executes and delivers a consent (a “Consent”) to this Third Amendment will have agreed to the terms of this Third Amendment upon the effectiveness of this Third Amendment on the Third Amendment Effective Date.

Now, therefore, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

Section 1. AMENDMENT TO CREDIT AGREEMENT

Effective as of the Third Amendment Effective Date, the Existing Credit Agreement is hereby amended as follows:

- A. The following definitions are hereby added to Section 1.01 of the Existing Credit Agreement in the correct alphabetical order:

“Third Amendment” shall mean the Third Amendment to Credit Agreement, dated as of the Third Amendment Effective Date, among Parent, the Borrower, the other Loan Parties party thereto, the Lenders and other Persons party thereto and the Administrative Agent.

“Third Amendment Arrangers” shall have the meaning assigned to such term in the Third Amendment.

“Third Amendment Effective Date” shall mean November 26, 2024.

B. The definition of “Applicable Margin” in Section 1.01 of the Existing Credit Agreement is hereby amended by amending and restating such definition in its entirety as follows:

““Applicable Margin” shall mean for any day (i) with respect to any Term A Loan, 1.50% per annum in the case of any SOFR Loan and 0.50% per annum in the case of any ABR Loan, (ii) (x) prior to the Second Amendment Effective Date with respect to any Incremental Term B Loan, 3.50% per annum in the case of any SOFR Loan and 2.50% per annum in the case of any ABR Loan, (y) on and after the Second Amendment Effective Date and prior to the Third Amendment Effective Date with respect to any Incremental Term B Loan, 3.25% per annum in the case of any SOFR Loan and 2.25% per annum in the case of any ABR Loan and (z) on and after the Third Amendment Effective Date with respect to any Incremental Term B Loan, 2.75% per annum in the case of any SOFR Loan and 1.75% per annum in the case of any ABR Loan, (iii) with respect to any Revolving Facility Loan, (A) 1.50% per annum in the case of any SOFR Loan or Alternative Currency Loan and (B) 0.50% per annum in the case of any ABR Loan and (iv) with respect to Swingline Loans, 0.50% per annum; provided, that on and after the first Adjustment Date after the Closing Date, the Applicable Margin with respect to any Term A Loan, Revolving Facility Loans and Swingline Loans will be determined pursuant to the Pricing Grid.”

C. The definition of “Joint Bookrunners” in Section 1.01 of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

““Joint Bookrunners” shall mean (i) Truist Securities, Inc., Banco Popular de Puerto Rico, Citizens Bank, N.A., Fifth Third Bank, National Association and Firstbank Puerto Rico, in their capacities as joint bookrunners of the facilities hereunder on the Closing Date, (ii) the First Amendment Arrangers, (iii) the Second Amendment Arrangers and (iv) the Third Amendment Arrangers.”

D. The definition of “Joint Lead Arrangers” in Section 1.01 of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

““Joint Lead Arrangers” shall mean (i) Truist Securities, Inc., Banco Popular de Puerto Rico, Citizens Bank, N.A., Fifth Third Bank, National Association and Firstbank Puerto Rico, in their capacities as joint lead arrangers of the facilities hereunder on the Closing Date, (ii) the First Amendment Arrangers, (iii) the Second Amendment Arrangers and (iv) the Third Amendment Arrangers.”

E. The definition of “Loan Documents” in Section 1.01 of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

““Loan Documents” shall mean this (i) Agreement, (ii) the Guarantee Agreement, (iii) the Letters of Credit, (iv) each Issuer Document, (v) the Security Documents, (vi) any Notes, (vii) any

agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.26, (viii) each Additional Credit Extension Amendment, (ix) amendments, supplements and joinders to the Loan Documents, (x) the First Amendment, (xi) the Second Amendment and (xii) the Third Amendment.”

F. Section 2.12(a) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

“(a) The Borrower shall have the right at any time and from time to time to prepay any Loan in whole or in part, without premium or penalty (except as set forth in this Section and Section 2.17), in an aggregate principal amount that is an integral multiple of the Borrowing Multiple and not less than the Borrowing Minimum or, if less, the principal amount of Loans of any Class outstanding, upon prior notice to the Administrative Agent by telephone (confirmed by facsimile) (x) in the case of an ABR Loan, not less than one Business Day prior to the date of prepayment, (y) in the case of SOFR Loans denominated in Dollars, not less than three U.S. Government Securities Business Days prior to the date of prepayment and (z) in the case of a Revolving Facility Loan denominated in an Alternative Currency, not less than four Business Days prior to the date of prepayment. Each notice delivered by the Borrower pursuant to this Section 2.12(a) shall be irrevocable; provided, that such notice may state that it is conditioned upon the effectiveness of other credit facilities or the occurrence of any transaction anticipated to occur in connection with such prepayment, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Each such notice shall be signed by a Responsible Officer of the Borrower and shall specify the date and amount of such prepayment and the Class(es) and the Type(s) of Loans to be prepaid and, if SOFR Loans or Alternative Currency are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each applicable Lender of its receipt of each such notice, and of the amount of such Lender’s pro rata share of such prepayment. In the event that, prior to the date which is six months after the Third Amendment Effective Date, the Borrower makes any prepayment or amendment of Incremental Term B Loans in connection with any Repricing Transaction (other than in connection with a Change of Control or Transformative Acquisition), the Borrower shall pay to the Administrative Agent, for the ratable account of the Incremental Term B Lenders, a prepayment premium of 1% of the amount of the Incremental Term B Loans being so prepaid, refinanced, substituted or replaced or amended.”

Section 2. CONDITIONS TO EFFECTIVENESS OF THE AMENDMENT

The amendments set forth in Section 1 hereof shall become effective only upon the satisfaction (or waiver) of the following conditions precedent (the date of satisfaction of such conditions being referred to herein as the “Third Amendment Effective Date”):

A. The Administrative Agent shall have received an executed written consent approving the amendments and consents set forth herein and authorizing the Administrative Agent to enter into this Third Amendment from Incremental Term B Lenders constituting the Required Class Lenders of the Incremental Term B Loans.

B. The Administrative Agent (or its counsel) shall have received with respect to each Loan Party, each of the items referred to in clauses (i), (ii) and (iii) below:

(i) a certificate of the Secretary or Assistant Secretary or similar officer of each Loan Party or, as applicable, the Borrower on behalf of such Loan Party, dated the Third Amendment Effective Date and certifying:

(1) that such Loan Party's Organizational Documents most recently certified and delivered to the Administrative Agent on October 30, 2023 or June 13, 2024, as applicable remain in full force and effect on the Third Amendment Effective Date without modification or amendment since such original delivery (except as otherwise attached thereto),

(2) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors of the Borrower authorizing the execution, delivery and performance of this Third Amendment or any other document delivered by the Borrower in connection herewith, and that such resolutions have not been modified, rescinded or amended and are in full force and effect on the Third Amendment Effective Date,

(3) as to the incumbency and specimen signature of each officer executing this Third Amendment or any other document delivered in connection herewith on behalf of such Loan Party, and

(4) as to the absence of any pending proceeding for the dissolution or liquidation of such Loan Party;

(ii) a certificate of a director or an officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary or similar officer executing the certificate pursuant to clause (i) above; and

(iii) include as an attachment a good standing certificate or equivalent, if applicable, for each Loan Party issued by the relevant Governmental Authority of the jurisdiction of organization of such Loan Party.

C. The representations and warranties contained in Section 3 of this Third Amendment shall be true and correct in all material respects on and as of the Third Amendment Effective Date, as applicable, with the same effect as though made on and as of the Third Amendment Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects as of such applicable date).

D. On and as of the Third Amendment Effective Date, immediately after giving effect to this Third Amendment, no Default or Event of Default shall have occurred and be continuing.

E. The Administrative Agent shall have received a certificate, dated as of the Third Amendment Effective Date, signed by a Responsible Officer of the Borrower, certifying that the conditions set forth in Sections 2.C and 2.D are satisfied.

F. The Borrower shall have paid (or shall pay substantially concurrently with the effectiveness of this Third Amendment on the Third Amendment Effective Date) all accrued and unpaid interest on the Existing Incremental Term B Loans to, but not including, the Third Amendment Effective

Date and shall have submitted an Interest Election Request in accordance with Section 2.08 of the Existing Credit Agreement.

G. To the extent invoiced in reasonable detail at least two (2) Business Days prior to the Third Amendment Effective Date (except as reasonably agreed to by Parent), the Administrative Agent shall have received all fees payable thereto or to any Third Amendment Arranger or Incremental Term B Lender on or prior to the Third Amendment Effective Date and all other amounts due and payable pursuant to this Third Amendment on or prior to the Third Amendment Effective Date, including, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses (including reasonable fees, charges and disbursements of Cahill Gordon & Reindel LLP) required to be reimbursed or paid by the Loan Parties hereunder or under any Loan Document.

H. The Incremental Term B Lenders shall have received, at least three (3) Business Days prior to the Third Amendment Effective Date (or such later date as approved by such Lender), (i) all documentation and other information required by regulatory authorities under applicable “know your customer” and anti-money laundering rules and regulations, including the USA PATRIOT Act and (ii) to the extent the Borrower qualifies as a “legal entity customer” under the Beneficial Ownership Regulation, a customary FinCEN beneficial ownership certificate, that in each case has been requested in writing at least ten (10) Business Days prior to the Third Amendment Effective Date (it being agreed delivery of a signed LSTA Beneficial Ownership Form shall satisfy this clause (ii)), that, in each case, has been requested in writing by the Administrative Agent to the Borrower at least ten (10) Business Days prior to the Third Amendment Effective Date.

Section 3. REPRESENTATIONS AND WARRANTIES

In order to induce the Administrative Agent, on behalf of the Lenders, to enter into this Third Amendment, the Borrower represents and warrants to each Lender and the Administrative Agent that the following statements are true, correct and complete in all material respects:

A. Corporate Power and Authority. Each Loan Party has the power and authority to execute, deliver and perform its obligations under this Third Amendment and the Amended Credit Agreement.

B. Authorization of Agreements. The Borrower has taken all necessary corporate or other organizational action to authorize the execution and delivery of this Third Amendment and the Borrower has taken all necessary organizational action to authorize the performance of the Amended Credit Agreement.

C. No Conflicts. The execution and delivery by each Loan Party of this Third Amendment and performance by each Loan Party of each of this Third Amendment and the Amended Credit Agreement (a) will not violate the Organization Documents of such Loan Party, (b) will not violate (i) any provision of law, statute, rule or regulation, or any applicable order of any court or any rule, regulation or order of any Governmental Authority in effect at the time of execution of this Third Amendment or (ii) any provision of any indenture, agreement or other instrument to which such Loan Party is a party or by which it or any of its property is or may be bound at the time of execution of this Third Amendment and (c) will not be in conflict with, result in a breach of or constitute (alone or with notice or lapse of time or both) a default under, give rise to a right of or result in any cancellation or acceleration of any right or obligation (including any payment) or to a loss of a material benefit under any such indenture, agreement or other instrument, in each case, except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

D. Binding Obligation. Each Loan Party that is party hereto has duly executed and delivered this Third Amendment and the Amended Credit Agreement constitutes the legal, valid and binding obligation of such Loan Party enforceable against each such Loan Party in accordance with its terms, subject to (i) the effects of bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other similar laws affecting creditors' rights generally, (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law) and (iii) implied covenants of good faith and fair dealing.

E. Absence of Default or Event of Default. On the Third Amendment Effective Date immediately after giving effect to this Third Amendment, no Default or Event of Default shall exist and be continuing under the Existing Credit Agreement.

F. Representation and Warranties from Amended Credit Agreement. The representations and warranties contained in Article III of the Amended Credit Agreement shall be true and correct in all material respects on and as of the Third Amendment Effective Date as applicable, with the same effect as though made on and as of the Third Amendment Effective Date, except to the extent such representations and warranties expressly relate to an earlier date (in which case such representations and warranties shall be true and correct in all material respects as of such earlier date) (provided that representations and warranties that are qualified by materiality shall be true and correct in all respects as of such applicable date).

Section 4. REPLACEMENT OF NON-CONSENTING LENDERS

Concurrently with the effectiveness of this Third Amendment, the Borrower shall be deemed to have exercised its rights under Section 2.20(c) of the Existing Credit Agreement to require each Existing Incremental Term B Lender to assign any portion of its Existing Incremental Term B Loans as to which it has not approved this Third Amendment as of such time to the Administrative Agent. By its execution of this Third Amendment, the Administrative Agent agrees to accept such assignments and approves this Third Amendment in its capacity as the assignee of any such Existing Incremental Term B Loans.

Section 5. REAFFIRMATION

By executing and delivering a counterpart hereof, (i) each Loan Party hereby agrees that, as of the Third Amendment Effective Date and after giving effect to this Third Amendment, all Obligations of the Borrower shall be guaranteed pursuant to the Guarantee Agreement in accordance with the terms and provisions thereof and shall be secured pursuant to the Security Documents in accordance with the terms and provisions thereof; and (ii) each Loan Party hereby (A) agrees that, notwithstanding the effectiveness of this Third Amendment, as of the Third Amendment Effective Date and after giving effect to this Third Amendment, the Security Documents continue to be in full force and effect, (B) agrees as of the Third Amendment Effective Date that all of the Liens and security interests created and arising under each Security Document remain in full force and effect on a continuous basis, and the perfected status and priority of each such Lien and security interest continues in full force and effect on a continuous basis, unimpaired, uninterrupted and undischarged, as collateral security for all Obligations under the Loan Documents (as modified hereby) to which it is a party, in each case, to the extent provided in, and subject to the limitations and qualifications set forth in, such Loan Documents (as amended by this Third Amendment) and (C) as of the Third Amendment Effective Date, affirms and confirms all of its obligations and liabilities under the Amended Credit Agreement and each other Loan Document (including this Third Amendment) to which it is a party, in each case, after giving effect to this Third Amendment, including its guarantee of the Obligations and the pledge of and/or grant of a security interest in its assets

as Collateral pursuant to the Security Documents to secure such Obligations, all as provided in the Security Documents, and acknowledges and agrees that as of the Third Amendment Effective Date such obligations, liabilities, guarantee, pledge and grant continue in full force and effect in respect of, and to secure, such Obligations under the Amended Credit Agreement and the other Loan Documents, in each case after giving effect to this Third Amendment.

Section 6. MISCELLANEOUS

A. Effect of Third Amendment. Except as expressly set forth herein, this Third Amendment shall not, by implication or otherwise, limit, impair, constitute a waiver of, or otherwise affect the rights and remedies of, the Lenders or the Administrative Agent under the Existing Credit Agreement or any other Loan Document, and except as expressly provided herein shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document, all of which are ratified and affirmed in all respects and shall continue in full force and effect. This Third Amendment shall not constitute a novation of the Existing Credit Agreement or any other Loan Document. Nothing herein shall be deemed to establish a precedent for purposes of interpreting the provisions of the Existing Credit Agreement or entitle any Loan Party to a consent to, or a waiver, amendment, modification or other change of, any of the terms, conditions, obligations, covenants or agreements contained in the Existing Credit Agreement or any other Loan Document in similar or different circumstances. This Third Amendment shall apply to and be effective only with respect to the provisions of the Existing Credit Agreement and the other Loan Documents specifically referred to herein.

B. Reference to the Existing Credit Agreement. On and after the Third Amendment Effective Date, each reference in the Existing Credit Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of like import, and each reference to the “Credit Agreement,” “thereunder,” “thereof,” “therein” or words of like import in any other Loan Document, shall be deemed a reference to the Amended Credit Agreement. This Third Amendment shall constitute a Repricing Transaction entered into pursuant to Section 9.08 of the Existing Credit Agreement and a “Loan Document” for all purposes of the Existing Credit Agreement and the other Loan Documents.

C. Headings. Section headings used herein are for convenience of reference only, are not part of this Third Amendment and are not to affect the construction of, or to be taken into consideration in interpreting, this Third Amendment.

D. Severability. In the event any one or more of the provisions contained in this Third Amendment should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby. The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

E. Applicable Law; WAIVER OF JURY TRIAL; Jurisdiction; Consent to Service of Process. The provisions of Sections 9.07, 9.11 and 9.15 of the Existing Credit Agreement are hereby deemed to be incorporated herein, *mutatis mutandis*. Each party to this Third Amendment hereby irrevocably and unconditionally waives any jurisdiction, other than the jurisdiction of any New York State court or federal court of the United States of America sitting in New York City in the borough of Manhattan and any appellate court from any thereof, that could apply by virtue of its present or future domicile or any other reason.

F. Counterparts. This Third Amendment may be executed in two or more counter- parts, each of which shall constitute an original but all of which, when taken together, shall constitute but one contract. Delivery of an executed counterpart of a signature page of this Third Amendment by facsim- ile, emailed pdf. or any other electronic means that reproduces an image of the actual executed signature age shall be effective as delivery of a manually executed counterpart of this Third Amendment. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to any document to be signed in connection with this Third Amendment and the transactions contemplated hereby shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; *provided* that nothing herein shall require the Administrative Agent to accept electronic signatures in any form or format without its prior written consent.

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IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Third Amendment as of the date first set forth above.

EVERTEC, INC., as Parent

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial Officer

EVERTEC GROUP, LLC, as the Borrower

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial Officer

EVERTEC INTERMEDIATE HOLDINGS, LLC, as Guarantor

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial Officer

EVERTEC COSTA RICA, S.A., as Guarantor

By: /s/ Miguel A. Arocho
Name: Miguel A. Arocho
Title: Authorized Signatory

EVERTEC PANAMA, S.A., as Guarantor

By: /s/ Joaquín Castrillo
Name: Joaquín Castrillo
Title: Executive Vice President & Chief Financial Officer

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EVERTEC DOMINICANA, SAS, as Guarantor

By: /s/ Joaquín Castrillo

Name: Joaquín Castrillo

Title: Executive Vice President & Chief Financial Officer

EVERTEC MÉXICO SERVICIOS DE PROCESAMIENTO, S.A. DE C.V., as Guarantor

By: /s/ Iván Darío Baquero Muñoz

Name: Iván Darío Baquero Muñoz

Title: Legal Representative

EVERTEC GUATEMALA, S.A., as Guarantor

By: /s/ Miguel A. Arocho

Name: Miguel A. Arocho

Title: Authorized Signatory

EVERTEC BRASIL INFORMATICA S.A.,
as Guarantor

By: /s/ Pilar Bazterrica
Name: Pilar Bazterrica
Title: Director

By: /s/ Daniel Olivera Ferreira
Name: Daniel Olivera Ferreira
Title: Director

SINQIA S.A., as Guarantor

By: /s/ Pilar Bazterrica
Name: Pilar Bazterrica
Title: Director

By: /s/ Joao Bolonha
Name: Joao Bolonha
Title: Director

SINQIA TECNOLOGIA LTDA., as Guarantor

By: /s/ Joao Bolonha
Name: Joao Bolonha
Title: Director

By: /s/ Gabriel Marssola
Name: Gabriel Marssola
Title: Director

TORQ INOVAÇÃO DIGITAL LTDA., as Guarantor

By: /s/ Joao Bolonha
Name: Joao Bolonha
Title: Director

By: /s/ Gabriel Marssola
Name: Gabriel Marssola
Title: Director

TRUIST BANK,
as Administrative Agent

By: /s/ Alfonso Brigham
Name: Alfonso Brigham
Title: Director

LENDER CONSENTS ON FILE WITH ADMINISTRATIVE AGENT

EVERTEC Group, LLC Executive Severance Policy

1 Purpose and Scope

1.1 Establishment of the Policy. Evertec Group, LLC (hereinafter referred to as the “Company”) hereby establishes a severance policy (the “Policy”) to provide severance payments to certain Executives of the Company or its subsidiaries upon certain terminations of employment as defined herein. The Policy is intended to constitute “a plan that is unfunded and maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees” within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), is intended to be exempt from the provisions of Parts 2, 3 and 4 of Title I of ERISA, and shall be interpreted and administered to the extent possible in a manner consistent with that intent.

The Company considers the establishment and maintenance of a sound management team to be essential to protecting and enhancing the best interests of the Company and its stockholders. In this regard, the Company recognizes that, as is the case with many publicly held corporations, there may be a Change in Control of the Company, and that the possibility of such event and the uncertainty and questions which it may raise among management, may result in the departure or distraction of management personnel, to the detriment of the Company and its stockholders.

Accordingly, the Board has determined that it should adopt a severance policy to reinforce and encourage the continued attention and dedication of members of the Company’s management to their assigned duties without distraction the possibility of a Change in Control.

1.2 Term. This Policy will commence on November 1, 2018 (the “Effective Date”). This Policy may be amended and/or terminated as provided below.

1.2.1 The Board may amend or terminate the Policy at any time in its sole discretion without the consent of any employee of the Company, provided that (i) the Board must give prior notice of not less than six (6) months to the Executives covered under the Policy of a termination of the Policy or an amendment to the Policy that materially reduces benefits under the Policy as determined by the Board, (ii) the Board may not give prior notice of any amendment or termination of the Policy prior to the twelve-month anniversary of the Effective Date; and (iii) the Board may not amend or terminate the Policy prior to the twelve-month anniversary of the Effective Date or during the two-year period immediately following a Change in Control without the consent of at least 50% of the then current Executives covered under the Policy.

1.2.2 Notwithstanding the foregoing, termination or amendment of the Policy shall not affect any Severance Payments due from the Company to any Executive who experienced a Qualifying Termination prior to the effective date of the Policy’s termination or amendment nor shall it nullify the covenants agreed to by the Executives in the Restatement Confidentiality and Non-Compete Agreements attached as Appendix B.

1.3 Interpretation of Ambiguous Clauses. The Committee shall serve as the Policy Administrator. The Policy Administrator shall have sole authority and discretion to administer and construe the terms of this Policy, subject to applicable requirements of law. Without limiting the generality of the foregoing, the Policy Administrator shall have complete discretionary authority to carry out the following powers and duties:

1.3.1 To make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Policy;

1.3.2 To interpret the Policy, its interpretation thereof to be final and conclusive on all persons claiming benefits under the Policy;

1.3.3 To decide all questions, including without limitation, issues of fact, concerning the Policy, including the eligibility of any person to participate in, and receive benefits under, the Policy; and

1.3.4 To appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Policy.

1.3.5 Additionally, pursuant to the dispositions of article 2.12 of Puerto Rico Act No. 4 of January 26, 2017, the Company reserves its right to interpret at its own discretion, any ambiguous clause contained in this Policy.

2 Key Terms

Defined terms have been used throughout this Policy. The following is a list of the definitions for these terms.

2.1.1 “Base Salary” means the Executive’s annual rate of salary.

2.1.2 “Beneficiary” means the persons or entities designated or deemed designated by the Executive pursuant to Section 5.2 herein.

2.1.3 “Board” means the Board of Directors of the Company.

2.1.4 “Cause” means, as determined by the Company, Executive’s (i) commission of a felony or a crime of moral turpitude; (ii) engaging in conduct that constitutes fraud, bribery or embezzlement; (iii) engaging in conduct that constitutes gross negligence or willful misconduct that results or could reasonably be expected to result in harm to the Company’s business or reputation; (iv) breach of any material terms of any agreement between the Company and Executive which results or could reasonably be expected to result in harm to the Company’s business or reputation; (v) continued willful failure to substantially perform his or her reasonable and proper duties; (vi) failure to live in the location approved by the Committee as the Executive’s primary residency, provided that the Committee may not unilaterally change the primary residence location after the initial residence determination; or (vii) violation of the Company’s “Code of Ethics” or other written Company policy which is materially injurious to the Company.

2.1.5 “Change in Control” means a Change in Control as set forth in Evertec, Inc. 2013 Equity Incentive Plan, as amended (or any successor equity incentive plan).

2.1.6 “Committee” means the Compensation Committee of the Board or any other committee appointed by the Board to perform the functions of the Compensation Committee.

2.1.7 “Company” means Evertec Group, LLC, a Puerto Rico Limited Liability Company and all of its affiliates, or any successor thereto as provided in Article 5 herein.

2.1.8 “Disability” means Executive’s inability to perform his essential duties hereunder by reason of any medically determinable physical or mental impairment for a period of six (6) months or more in any twelve (12) month period.

2.1.9 “Effective Date” means the commencement date of this Policy as specified in Section 1.2 of this Policy.

2.1.10 “Effective Date of Termination” means the date on which a Qualifying Termination occurs, as defined hereunder.

2.1.11 “Executive” means any employee of the Company or any of its subsidiaries or affiliates listed on Appendix A, or as may be designated by the Committee in writing from time to time, which such listed and designated employees shall be limited to a select group of management or highly compensated employees within the meaning of Sections 201(2), 301(a)(3) and 401(a)(1) of ERISA. Notwithstanding the foregoing, an individual shall not be treated as an Executive covered by the Policy unless the individual executes, (i) the Restatement of Confidentiality and Non-Compete Agreements attached as Appendix B hereto, (ii) the Acknowledgment of Evertec Group, LLC Executive Severance Policy and Arbitration Agreement (“Acknowledgment Agreement”) and (iii) any agreement required by the Company to confirm termination of any prior severance right or policy covering the Executive.

2.1.12 “Good Reason” shall mean, without the Executive’s express written consent, the occurrence of any one or more of the following:

2.1.12.1 A material reduction in Executive’s Base Salary; provided that any such material reduction shall not constitute Good Reason if the material reduction is part of a collective reduction applied consistently by the Company to all Executives and that does not reduce such Executive’s Base Salary by more than 10%; or

2.1.12.2 A material adverse change to, or a material reduction of, Executive’s duties and responsibilities to the Company; or

2.1.12.3 Any other action or inaction by the Company (or any successor) that constitutes a material breach by the Company of the terms and conditions of this Policy.

For purposes of this Policy, the Executive is not entitled to assert that his or her termination is for Good Reason unless the Executive gives written notice (which shall constitute the Notice of Termination) to the Company of the event or events which are the basis for such claim within thirty (30) days after the event or events occur, describing such claim in reasonably sufficient detail to allow the Company to address the event or events and a period of not less than thirty (30) days after the Company's receipt of such notice to cure or fully remedy the alleged condition. If the Company fails to fully cure and remedy the event(s) constituting Good Reason to the reasonable satisfaction of the Executive within such thirty (30) day period, the Executive must terminate for Good Reason at the end of such thirty (30) day period.

2.1.13 "Notice of Termination" shall mean a written notice indicating the date of Executive's termination.

2.1.14 "Parent Company" means Evertec, Inc.

2.1.15 "Qualifying Termination" means a termination of employment under the following circumstances:

2.1.15.1 An involuntary termination of the Executive's employment by the Company for reasons other than Cause, death or Disability pursuant to a Notice of Termination delivered to the Executive by the Company; or

2.1.15.2 A voluntary termination by the Executive for Good Reason pursuant to a Notice of Termination delivered to the Board or the Company, as applicable, by the Executive.

2.1.16 "Severance Payments" means the Change-in-Control Severance Payments or the General Severance Payments, as applicable, as provided in Article 3 herein.

3 Severance Payments

3.1 Right to Severance Payments and Impact on Long-Term Incentives.

3.1.1 **Change-in-Control Severance Payments.** The Executive shall be entitled to receive, from the Company, Change-in-Control Severance Payments, as described in Section 3.2 herein, if a Qualifying Termination of the Executive's employment occurs within twenty-four (24) months immediately following a Change in Control.

3.1.2 **General Severance Payments.** The Executive shall be entitled to receive, from the Company, General Severance Payments, as described in Section 3.3 herein, if a Qualifying Termination of the Executive's employment occurs other than during the twenty-four (24) months immediately following a Change in Control.

3.1.3 **No Severance Payments.** The Executive shall not be entitled to receive Severance Payments if the Executive's employment with the Company ends for reasons other than a Qualifying Termination or if the Policy is not in effect at the time of the employment termination. Notwithstanding the foregoing, upon any termination of employment, the Executive shall be entitled to receive a lump-sum amount paid within fifteen (15) calendar days after such termination of employment equal to the Executive's unpaid Base Salary, accrued vacation pay, unreimbursed business expenses, and all other items earned by and owed to the Executive through and including the date of such termination of employment.

3.1.4 **General Release.** As a condition to receiving Severance Payments under either Section 3.2 or 3.3 herein, the Executive shall be obligated to execute a separation agreement and general release of all claims in favor of the Parent, Company, their current and former affiliates, subsidiaries and stockholders, and their current and former directors, officers, employees, insurers and agents, in a form reasonably determined by the Company; provided, however, that, if Executive should fail to execute such release within the time required by the Company, or revokes such release prior to it becoming fully effective, the Company shall not have any obligation to provide the Severance Payment.

3.1.5 **No Duplication of Severance Payments.** If the Executive becomes entitled to Change-in-Control Severance Payments, the Severance Payments provided for under Section 3.2 hereunder shall be in lieu of all other Severance Payments provided to the Executive under the provisions of this Policy and any other Company-related severance or employment policies, programs, or agreements including, but not limited to, the Severance Payments under Section 3.3 herein. Likewise, if the Executive becomes entitled to General Severance Payments, the Severance Payments provided under Section 3.3 hereunder shall be in lieu of all other Severance Payments provided to the

Executive under the provisions of this Policy and any other Company-related severance or employment policies, programs, or other agreements including, but not limited to, the Severance Payments under Section 3.2 herein.

3.2 Description of Change-in-Control Severance Payments.

3.2.1 In the event the Executive becomes entitled to receive Change-in-Control Severance Payments, the Company shall provide the Executive with the following, subject to the execution and non-revocation of a General Release as established in Section 3.1.4:

3.2.1.1 A lump-sum amount paid on the first regularly scheduled payroll date following the sixtieth (60th) calendar day after the Effective Date of Termination equal to two (2) times (i) the Executive's then current Base Salary (or Base Salary in effect immediately prior to the Change in Control, if higher) and (ii) annual target bonus opportunity in the year of termination (or in the year prior to the termination, if higher).

3.2.1.2 A lump-sum amount paid on the first regularly scheduled payroll date following the sixtieth (60th) calendar day after the Effective Date of Termination equal to the Executive's annual target bonus opportunity for the year of termination, adjusted on a pro rata basis based on the number of days the Executive was actually employed during the year in which the Qualifying Termination occurs over the total number of days in the year. If the Effective Date of Termination occurs before the Company pays the bonus earned for the fiscal year ended prior to the year in which the Effective Date of Termination occurs, Executive will be entitled to such unpaid earned bonus, provided that Executive was employed on the last day of such fiscal year.

3.2.1.3 Subject to (x) Executive's timely election of continuation coverage under COBRA, and (y) Executive's continued copayment of premiums at the same level and cost to Executive as if Executive were an employee of the Company, continued payment by the Company of his health insurance coverage during the eighteen (18) month period following the date of termination to the same extent that the Company paid for such coverage immediately prior to the date of termination, subject to the eligibility requirements and other terms and conditions of such insurance coverage in a manner intended to avoid any excise tax under Section 4980D of the Internal Revenue Code of 1986, as amended. Notwithstanding the above, these COBRA subsidy benefits shall be discontinued prior to the end of the stated continuation period in the event the Executive becomes eligible to participate in another employer's group medical plan. For purposes of enforcing this provision, the Executive shall be deemed to have a duty to keep the Company informed as to the terms and conditions of any employment and the corresponding benefits earned from such employment, and shall provide, or cause to provide, to the Company in writing correct, complete, and timely information concerning the same. Notwithstanding anything to the contrary in the Policy, if the Company's providing health care coverage continuation under this Section 3.2.1.3 would violate the nondiscrimination rules applicable to non-grandfathered plans, or would result in the imposition of penalties under the Patient Protection and Affordable Care Act of 2010 or the related regulations and guidance promulgated thereunder ("PPACA"), the Company shall have the right to amend this Section 3.2.1.3 without prior notice in a manner it determines, in its sole discretion, to comply with the PPACA.

3.2.2 If after the Effective Date of Termination the Executive breaches any of his or her material obligations under the Restatement of Confidentiality and Non-Compete Agreements attached hereto as Appendix B, then, in addition to such other remedies and damages as may be available to the Company (included, but not limited to injunctive relief), all Severance Payments hereunder that have not already been paid shall be forfeited and Executive shall repay to the Company 75% of the gross amount of the Severance Payments already paid to Executive within thirty (30) days following the date the Company requests such payment. The Company shall promptly provide written notice thereof to the Executive. Such forfeiture and/or repayment shall not impact the validity of any general release agreement executed by the Executive. The portion of the Severance Payment retained shall serve as adequate consideration of the general release.

3.3 Description of General Severance Payments.

3.3.1 In the event the Executive becomes entitled to receive General Severance Payments, the Company shall provide the Executive with the following, subject to the execution and non-revocation of a General Release as established in section 3.1.4:

- 3.3.1.1 A lump-sum amount, paid on the first regularly scheduled payroll date following the fiftieth (50th) calendar day after the Effective Date of Termination, equal to one (1) times Executive's then current Base Salary.
- 3.3.1.2 Payment of the Executive's annual bonus for the year of termination based on actual performance, adjusted on a pro rata basis based on the number of days the Executive was actually employed during the year in which the Qualifying Termination occurs over the total number of days, payable in the calendar year following termination, but no event later than March 15th of such year. If the Effective Date of Termination occurs before the Company pays the bonus earned for the fiscal year ended prior to the year in which the Effective Date of Termination occurs, Executive will be entitled to such unpaid earned bonus, provided that Executive was employed on the last day of such fiscal year.
- 3.3.1.3 Subject to (x) Executive's timely election of continuation coverage under COBRA, and (y) Executive's continued copayment of premiums at the same level and cost to Executive as if Executive were an employee of the Company, continued payment by the Company of his health insurance coverage during the eighteen (18) month period following the date of termination to the same extent that the Company paid for such coverage immediately prior to the date of termination, subject to the eligibility requirements and other terms and conditions of such insurance coverage in a manner intended to avoid any excise tax under Section 4980D of the Internal Revenue Code of 1986, as amended. Notwithstanding the above, these COBRA subsidy benefits shall be discontinued prior to the end of the stated continuation period in the event the Executive becomes eligible to participate in another employer's group medical plan. For purposes of enforcing this provision, the Executive shall be deemed to have a duty to keep the Company informed as to the terms and conditions of any employment and the corresponding benefits earned from such employment, and shall provide, or cause to provide, to the Company in writing correct, complete, and timely information concerning the same. Notwithstanding anything to the contrary in the Policy, if the Company's providing health care coverage continuation under this Section 3.3.1.3 would violate the nondiscrimination rules applicable to non-grandfathered plans, or would result in the imposition of penalties under the PPACA, the Company shall have the right to amend this Section 3.3.1.3 without prior notice in a manner it determines, in its sole discretion, to comply with the PPACA.
- 3.3.2 If after the Effective Date of Termination the Executive breaches any of his or her material obligations under the Restatement of Confidentiality and Non-Compete Agreements attached hereto as Appendix B, then, in addition to such other remedies and damages as may be available to the Company (included, but not limited to injunctive relief), all Severance Payments hereunder that have not already been paid shall be forfeited and Executive shall repay to the Company 75% of the gross amount of the Severance Payments already paid to Executive within thirty (30) days following the date the Company requests such payment. The Company shall promptly provide written notice thereof to the Executive. Such forfeiture and/or repayment shall not impact the validity of any general release agreement executed by the Executive. The portion of the Severance Payment retained shall serve as adequate consideration of the general release.

3.4 Impact on Long-Term Incentives.

Treatment of outstanding long-term incentives under applicable Parent Company's incentive plans shall be in accordance with such plans and the award agreements pursuant to which the incentives were granted.

4 Notice

Any notices, requests, demands, or other communications provided for by this Policy shall be sufficient if in writing. If the notice is sent to Executive, it will be deemed sufficient if sent by e-mail, registered or certified mail to the Executive at the last address or e-mail address he or she has filed in writing with the Company. If the notice is sent to the Company, it will be deemed sufficient if sent by e-mail, registered or certified mail to its principal offices to the attention of the General Counsel or to the General Counsel's Company e-mail account.

5 Successors and Assignment

5.1 Successors to the Company. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise), or to all or substantially all of the Company's business and/or assets, will assume the obligations under this Policy and will agree expressly to perform the obligations under this Policy in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession.

5.2 Assignment by the Executive. Benefits under the Policy may not be anticipated, assigned or alienated by an Executive. If the Executive dies while any amount would still be payable to him or her hereunder had he or she continued to live, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Policy to the Executive's Beneficiary. If the Executive has not named a beneficiary, then such amounts shall be paid to the Executive's estate.

6 Miscellaneous

6.1 Employment Status. Except as may be provided under applicable law, or under any other agreement between the Executive and the Company, the employment of the Executive by the Company is "at will" and may be terminated by either the Executive or the Company at any time.

6.2 Severability. In the event that any provision or portion of this Policy shall be determined to be invalid or unenforceable for any reason, the remaining provisions of this Policy shall be unaffected thereby and shall remain in full force and effect.

6.3 Tax Withholding and Offset. The Company may withhold from any amounts payable under this Policy all federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling. All severance benefits payable under the Policy shall be offset against any judgment or finding of unjust dismissal under Puerto Rico Act No. 80 of May 30, 1976, as amended unless such offset would violate Code Section 409A.

6.4 No Duty to Mitigate. Executive shall not be obligated to seek other employment in mitigation of the amounts payable or arrangements made under any provision of this Policy. Except as expressly stated in Sections 3.2 and 3.3 of this Policy, the obtaining of any such other employment shall in no event effect any reduction of the Company's obligations to make the payments and arrangements required to be made under this Policy.

6.5 Policy Not Funded. The Company will make all payments under the Policy, and pay all expenses of the Policy, from its general assets. Nothing contained in this Policy shall give any eligible Executive any right, title or interest in any property of the Company or any of its affiliates nor shall it create any trust relationship.

6.6 Section 409A.

6.6.1 Although the Company does not guarantee the tax treatment of any payments or benefits under the Policy, the intent of the Company is that the payments and benefits under this Policy be exempt from, or comply with, Section 409A of the Internal Revenue Code of 1986, as amended, and all Treasury Regulations and guidance promulgated thereunder ("Code Section 409A") and to the maximum extent permitted the Policy shall be limited, construed and interpreted in accordance with such intent. In no event whatsoever shall the Company or its affiliates or their respective officers, directors, employees or agents be liable for any additional tax, interest or penalties that may be imposed on an Executive by Code Section 409A or damages for failing to comply with Code Section 409A.

6.6.2 Notwithstanding the foregoing or any other provision of this Policy to the contrary, if at the time of an Executive's separation from service (as defined in Code Section 409A), the Executive is a "Specified Employee", then the Company will defer the payment or commencement of any nonqualified deferred compensation subject to Code Section 409A payable upon separation from service (without any reduction in such payments or benefits ultimately paid or provided to the Executive) until the date that is six (6) months following separation from service or, if earlier, the earliest other date as is permitted under Code Section 409A (and any amounts that otherwise would have been paid during this deferral period will be paid in a lump sum on the day after the expiration of the six (6) month period or such shorter period, if applicable). An Executive will be a "Specified Employee" for purposes of this Policy if, on the date of the Executive's separation from service, the Executive is an individual who is, under the method of determination adopted by the Company designated as, or within the category of employees deemed to be, a "Specified Employee" within the meaning and in accordance with Treasury Regulation Section 1.409A-1(i). The Company shall determine in its sole discretion all matters relating to who is a "Specified Employee" and the application of and effects of the change in such determination.

6.6.3 Notwithstanding anything in this Policy or elsewhere to the contrary, a termination of employment shall not be deemed to have occurred for purposes of any provision of this Policy providing for the payment of any amounts or benefits that constitute "non-qualified deferred compensation" within the meaning of Code Section 409A upon or following a termination of the Executive's employment unless such termination is also a "separation from service" within the meaning of Code Section 409A and, for purposes of any such provision of this Policy, references to a "termination," "termination of employment" or like terms shall mean "separation from service" and the date of such separation from service shall be the date of termination for purposes of any such payment or benefits.

6.7 Limitation on payments.

- 6.7.1 In the event that the severance and other benefits provided for in this Policy, under any award agreement or otherwise payable to Executive (i) constitute “parachute payments” within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (“Section 280G”), and (ii) but for this Section 6.8, would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (“Section 4999”), then any post-termination severance benefits payable under this Policy or otherwise will be either: delivered in full, or delivered as to such lesser extent which would result in no portion of such benefits being subject to excise tax under Section 4999, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999, results in the receipt by Executive on an after-tax basis, of the greatest amount of benefits, notwithstanding that all or some portion of such benefits may be taxable under Section 4999.
- 6.7.2 If a reduction in severance and other benefits constituting “parachute payments” is necessary so that benefits are delivered to a lesser extent, reduction will occur in the following order: (i) first all cash payments, on a pro rata basis; then (ii) all remaining non-cash benefits (other than accelerated vesting of equity), pro rata, and then (iii) by not accelerating the vesting of equity awards (resulting in forfeiture of non-accelerated awards). Within any of these categories, a reduction shall occur first with respect to amounts that are not deemed to constitute a “deferral of compensation” within the meaning of and subject to Code Section 409A (“Nonqualified Deferred Compensation”) and then with respect to amounts that are treated as Nonqualified Deferred Compensation, with such reduction being applied in each case to the payments in the reverse order in which they would otherwise be made, that is, later payments shall be reduced before earlier payments.
- 6.7.3 Unless the Company and Executive otherwise agree in writing, any determination required under this Section 6.7 will be made in writing by the Company’s independent public accountants or by such other person or entity to which the Company determines (the “Firm”), whose determination will be conclusive and binding upon Executive and the Company. For purposes of making the calculations required by this Section 6.7, the Firm may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999. The Company and Executive will furnish to the Firm such information and documents as the Firm may reasonably request in order to make a determination under this Section. The Company will bear all costs the Firm may incur in connection with any calculations contemplated by this Section 6.7.

6.8 Applicable Law.

The provisions of the Policy shall be construed, administered and enforced according to applicable federal law and, where appropriate, the laws of the Commonwealth of Puerto Rico without reference to its conflict of laws rules and without regard to any rule of any jurisdiction that would result in the application of the law of another jurisdiction.

The participating Executives expressly consent that any action or proceeding relating to this Policy or any release or other agreement entered into with respect to this Policy will only be brought to binding arbitration in San Juan, Puerto Rico (unless the Parties agree in writing to a different location), before a single arbitrator in accordance with the Federal Arbitration Act and the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association then in effect. Alternatively, if an arbitrator finds that a claim is not subject to arbitration, the Executives consent that any action or proceeding relating to this Policy or any release or any other agreement entered into with respect to this Policy will only be brought in the federal or state courts, as appropriate, located in the Commonwealth of Puerto Rico and that any such action or proceeding be heard without a jury, and the participating Executives expressly waive the right to bring any such action in any other jurisdiction and have such action heard before a jury. With respect to any claims arising under the Employee Retirement Income Security Act, 29 U.S.C. §1001 et seq., exhaustion of the claims procedures set forth in Section 6.9 is a condition precedent to any arbitral proceedings contemplated herein, except where prohibited by applicable law.

No action relating to this Policy or any release or other agreement entered into with respect to this Policy may be brought later than the first anniversary of earlier of termination of employment or other event giving rise to the claim.

6.9 Claims Procedure.

- 6.9.1 The Policy Administrator reviews and authorizes payment of severance benefits for those Executives who qualify under the provisions of the Policy. The Policy Administrator may delegate this authority in its own discretion. No claim forms need be submitted. Questions regarding payment of the severance benefits should be directed to the Policy Administrator at:

Evertec Group, LLC

Carr. 176, Km. 1.3
Cupey Bajo
San Juan, Puerto Rico, 00926
Attention: Compensation Committee / Human Resources

- 6.9.2 If an Executive feels he or she is not receiving severance benefits which are due, the Executive should file a written claim for the benefits with Policy Administrator. A decision on whether to grant or deny the claim will be made within 90 days following receipt of the claim. If special circumstances arise and more than 90 days is required to render a decision, the Executive will be notified in writing prior to the end of such 90 day period of the need for such delay, the reasons for such delay and the date on which a decision is expected to be rendered. In any event, however, a decision to grant or deny a claim will be made by not later than 180 days following the initial receipt of the claim. If the claim is denied in whole or in part, the Executive will receive a written explanation of the specific reasons for the denial, a reference to the Policy provisions on which the denial is based, a description of any additional information or material required by the Policy Administrator to reconsider the Executive's claim (to the extent applicable) and an explanation of why such material or information is necessary, and a description of the Policy's review procedures and time limits applicable to such procedures, including a statement of the Executive's right to bring a civil action under Section 502(a) of ERISA following a benefit claim denial on review.
- 6.9.3 If the Executive wishes to appeal this denial, the Executive must file a request for review of the claim with the Policy Administrator within 60 days after receipt of the notification of denial. The Executive has the right to (i) submit in writing to the Policy Administrator any comments, documents, records or other information relating to his or her claim for benefits and (ii) be provided with, upon request and free of charge, reasonable access to and copies of all pertinent documents, records and other information that is relevant to his or her claim for benefits. The review of the denied claim will be undertaken by the Board and will take into account all comments, documents, records and other information that the Executive submitted relating to his or her claim, without regard to whether such information was submitted or considered in the initial denial of his or her claim. The Executive will receive written notice of the final decision within 60 days after the request for review. If special circumstances arise and more than 60 days is required to render a decision, the Executive will be notified in writing prior to the end of such 60 day period of the need for such delay, the reasons for such delay and the date on which a decision is expected to be rendered. In any event, however, the Executive will receive a written notice of the final decision within 120 days after the request for review. If the claim is denied in whole or in part, the Executive will receive a written explanation of the specific reasons for the denial, a reference to the Policy provisions on which the denial is based, a statement that the Executive is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Policy and all documents, records, and other information relevant to his or her claim for benefits and a statement of the Executive's right to bring a civil action under Section 502(a) of ERISA.
- 6.9.4 The exhaustion of these claims procedures is mandatory for resolving every claim and dispute arising under the Policy. As to such claims and disputes: (i) no claimant shall be permitted to commence any legal action to recover benefits or to enforce or clarify rights under the Policy under Section 502 or Section 510 of ERISA or under any other provision of law, whether or not statutory, until these claims procedures have been exhausted in their entirety; and (ii) in any such legal action, all explicit and implicit determinations by the Policy Administrator (including, but not limited to, determinations as to whether the claim, or a request for a review of a denied claim, was timely filed) shall be afforded the maximum deference permitted by law.

Acknowledgment of Evertec Group, LLC Executive Severance Policy and Arbitration Agreement (“Agreement”)

Executive Name: _____

Date: _____

I hereby agree to the terms and conditions of the Evertec Group, LLC Executive Severance Policy (the “Policy”). I understand that pursuant to my agreement to be covered under the Policy, as indicated by my signature below, the terms of the Policy will exclusively govern all subject matter addressed by the Policy and I understand that, except as expressly provided in the Policy, the Policy supersedes and replaces, as applicable, any and all agreements (including any prior employment agreement), plans, policies, guidelines or other arrangements, with respect to the subject matter covered under the Policy and my rights to severance upon any Qualified Termination (as defined in the Policy) or other termination. Additionally, to the extent that I am a party to an employment agreement with Evertec Group, LLC or any of its parent, subsidiaries, affiliates or successors (the “Employment Agreement”) as of the date of this Agreement, I acknowledge that such Employment Agreement shall be superseded in its entirety by the Policy and that the Employment Agreement shall be terminated and be of no force or effect as of the date of this Agreement, provided that, for the avoidance of doubt, my employment with the Company shall not terminate solely as a result of the termination of the Employment Agreement contemplated by this Agreement.

Arbitration Agreement. I hereby agree that any controversy, dispute or claim arising out of or relating to the Policy or any controversy, dispute or claim arising out of or relating to my employment with Evertec Group, LLC or any of its subsidiaries, affiliates or successors (the “Company”), or its interpretation, application, implementation, breach or enforcement which the Company and I (collectively, the “Parties”) are unable to resolve by mutual agreement, shall be settled by submission by either me or the Company of the controversy, claim or dispute to binding arbitration in San Juan, Puerto Rico (unless the Parties agree in writing to a different location), before a single arbitrator in accordance with the Federal Arbitration Act and the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association then in effect. In any such arbitration proceeding the Parties agree to provide all discovery deemed necessary by the arbitrator. The decision and award made by the arbitrator shall be accompanied by a reasoned opinion, and shall be final, binding, conclusive and not appealable on all Parties hereto for all purposes, and judgment may be entered thereon in any court having jurisdiction thereof. Each party shall bear its own litigation costs and expenses (including, without limitation, legal counsel fees and expenses); provided, however, that the arbitrator shall have the discretion to award the prevailing party reimbursement of its reasonable attorneys’ fees and costs. Upon the request of either of the Parties, at any time prior to the beginning of the arbitration hearing the Parties may attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association. In any arbitration, neither of the Parties will be entitled to present, maintain or participate in a class, collective or representative complaint, and the arbitrator will have no authority over any of said claims or actions. This covenant to arbitrate shall not govern claims regarding workers’ compensation under the State Insurance Fund, state insurance for temporary non-occupational disability or unemployment insurance benefits.

Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THE POLICY OR EXECUTIVE’S EMPLOYMENT RELATIONSHIP WITH EVERTEC GROUP, LLC, OR ANY OF ITS SUBSIDIARIES, AFFILIATES, OR SUCCESSORS.

Executive’s signature

Appendix A

1. Claudio Almeida Prado, Executive Vice President and Group Head of Brazil
2. Joaquín A. Castrillo Salgado, Executive Vice President, Chief Financial Officer and Treasurer
3. Daniel Brignardello, Executive Vice President and Group Head of LATAM
4. Rodrigo Del Castillo, Executive Vice President and Chief Commercial Officer for Latin America
5. Alberto López-Gaffney, Executive Vice President – Corporate Development
6. Alexandra López-Soler, Executive Vice President and Chief Marketing Officer
7. Paola Pérez Surillo, Executive Vice President and Group Head of Puerto Rico
8. Luis A. Rodríguez González, Executive Vice President, Chief Legal and Administrative Officer, and Secretary
9. Miguel Vizcarrondo, Executive Vice President and Chief Product and Innovation Officer
10. Diego Viglianco, Executive Vice President and Chief Operating Officer

Appendix B

RESTATEMENT OF CONFIDENTIALITY AND NON-COMPETE AGREEMENTS

This Restatement of Confidentiality and Non-Compete Agreements (“Agreement”) made as of the _____ day of _____, 20____, between Evertec, Inc and Evertec Group, LLC (together with its successors, assigns, subsidiaries and Affiliates, the “Company”), and _____ (“Executive”).

WHEREAS, in light of the Company’s size and its visibility as a New York Stock Exchange-traded company that reports its results to the public, the Company has attracted attention of other companies and businesses seeking to obtain for themselves or their customers some of the Company’s business acumen and know-how; and

WHEREAS, the Company has shared with Executive certain aspects of its business acumen and know-how as well as specific confidential and proprietary information about the products, markets, manufacturing processes, costs, developments, ideas, and personnel of the Company; and

WHEREAS, the Company has imbued Executive with certain aspects of the goodwill that the Company has developed with its customers, distributors, representatives and employees, and with federal, state, local and foreign governmental entities; and

WHEREAS, as consideration for entering into this Agreement, the Company is extending to Executive the opportunity to be covered under the Evertec Group, LLC Executive Severance Policy (the “Policy”) and;

NOW, THEREFORE, in consideration of the foregoing, and of the respective covenants and agreements of the parties amended and restated in this Agreement and the Policy, the parties hereto agree as follows:

1. Definitions. As used in this Agreement, the following terms have the meanings indicated:

a. “Affiliate” shall mean any subsidiary or other entity that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with Evertec Group, LLC, whether now existing or hereafter formed or acquired. For purposes hereof, “control” means the power to vote or direct the voting of sufficient securities or other interests to elect one-third of the directors or managers or to control the management of such subsidiary or other entity.

b. “Confidential Information” means information that is not generally known to the public (but for purposes of clarity, Confidential Information shall never exclude any such information that becomes known to the public because of Executive’s unauthorized disclosure) and that is used, developed or obtained by the Company in connection with its business, including, but not limited to, information, observations and data obtained by Executive while employed by the Company concerning (A) the business or affairs of the Company; (B) products or services; (C) fees, costs and pricing structures; (D) designs; (E) analyses; (F) drawings, photographs and reports; (G) computer software, including operating systems, applications and program listings; (H) flow charts, manuals and documentation; (I) databases; (J) accounting and business methods; (K) inventions, devices, new developments, methods and processes, whether patentable or non-patentable and whether or not reduced to practice; (L) customers and clients, customer or client lists and customer usage and requirements; (M) other copyrightable works; (N) all production methods, processes, technology and trade secrets; (O) research and development programs; (P) personnel evaluations and compensation data; and (Q) all similar and related information in whatever form. Confidential Information will not include any information that has been published in a form generally available to the public (except as a result of Executive’s unauthorized disclosure or any third party’s unauthorized disclosure resulting from any direct or indirect influence by Executive) prior to the date Executive proposes to disclose or use such information. Confidential Information will not be deemed to have been published or otherwise disclosed merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

c. “Engage” means participate in, consult with, be employed by, or assist with the organization, policy making, ownership, financing, management, operation or control of any Similar Business in any capacity in which, in the absence of this Agreement, Confidential Information, inventions, Trade Secrets of the Company or Goodwill would reasonably be considered useful.

d. “Executive’s Company Employment” means the time (including time prior to the date hereof) during which Executive is employed by any entity comprised within the definition of “Company”, regardless of any change in the entity actually employing Executive.

e. “Goodwill” means any tendency of customers, distributors, representatives, employees, vendors, suppliers, or federal, state, local or foreign governmental entities to continue or renew any valuable business relationship with the Company or any Similar Business with which Executive may be associated, based in whole or in part on past successful relationships with the Company or the lawful efforts of the Company to foster

such relationships, and in which Executive, or any personnel reporting directly to Executive, actively participated at any time during the most recent twelve (12) months of Executive's Company Employment.

f. "Inventions" means designs, discoveries, improvements and ideas, whether or not patentable or otherwise legally protectable, including, without limitation upon the generality of the foregoing, novel or improved products, processes, machines, promotional and advertising materials, business data processing programs and systems, and other manufacturing and sales techniques, which either (i) relate to (A) the business of the Company or (B) the Company's actual or demonstrably anticipated research or development, or (ii) result from any work performed by Executive for the Company.

g. "Similar Business" means the same business of providing full service transaction processing, including merchant acquiring, payment services and business process management services, to the extent such activity or activities were actually performed or engaged in by, for, or on behalf of, the Company or any of its subsidiaries or affiliates during the employment period.

h. "Trade Secret(s)" means information, including a formula, pattern, compilation, program, device, method, technique or process, that derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and that is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

i. "Work Product" means all Inventions, innovations, improvements, technical information, systems, software developments, methods, designs, analyses, drawings, reports, service marks, trademarks, trade names, logos and all similar or related information (whether patentable or not patentable) that relates to the Company's actual or anticipated business, research and development or existing or future products or services and that are conceived, developed or made by Executive (whether or not during usual business hours and whether or not alone or in conjunction with any other person) while employed by the Company together with all patent applications, letters patent, trademark, trade name and service mark applications or registrations, copyrights and reissues thereof that may be granted for or upon any of the foregoing.

2. Executive Work Product.

a. Executive expressly agrees that any Work Product made or developed by Executive or Executive's agents during the course of Executive's employment, including any Work Product which is based on or arises out of other Work Product, shall be the property of and inure to the exclusive benefit of the Company. Executive further agrees that all Work Product developed by Executive (whether or not able to be protected by copyright, patent or trademark) during the course of Executive's employment with the Company, or involving the use of the time, materials or other resources of the Company, shall be promptly disclosed to the Company and shall become the exclusive property of the Company, and Executive shall execute and deliver any and all documents necessary or appropriate to implement the foregoing.

3. Non-Disclosure; Non-Use of Confidential Information. Executive shall not disclose or use at any time, either during Executive's Company Employment or at any time thereafter, any Confidential Information of which Executive is or becomes aware, whether or not such information is developed by Executive, except to the extent that such disclosure or use is directly related to and required by Executive's performance in good faith of duties assigned to Executive by the Company. Executive will take all appropriate steps to safeguard all Confidential Information in Executive's possession and to protect it against disclosure, misuse, espionage, loss and theft. Executive shall deliver to the Company at the termination of Executive's employment with the Company, or at any time the Company may request, all memoranda, notes, plans, records, reports, computer tapes and software and other documents and data (and copies thereof, whether in written or electronic form) relating to the Confidential Information or the "Work Product" of the business of the Company that Executive may then possess or have under Executive's control.

4. Non-Disclosure of Trade Secrets. During Executive's Company Employment, Executive shall preserve and protect Trade Secrets of the Company from unauthorized use or disclosure; and after termination of such employment, Executive shall not use or disclose any Trade Secret of the Company for so long as that Trade Secret remains a Trade Secret.

5. Third-Party Confidentiality. Executive shall not disclose to the Company, use on its behalf, or otherwise induce the Company to use any secret or confidential information belonging to persons or entities not affiliated with the Company, which may include a former employer of Executive, if Executive then has an obligation or duty to any person or entity (other than the Company) to not disclose such information to other persons or entities, including the Company. Executive acknowledges that the Company has disclosed that the Company is now, and may be in the future, subject to duties to third parties to maintain information in confidence and secrecy. By

executing this Agreement, Executive consents to be bound by any such duty owed by the Company to any third party.

6. Confidentiality Exclusions. Notwithstanding anything herein or in any other agreement with or policy (including without limitation any code of conduct or employee manual) of the Company, nothing herein or therein is intended to or shall: (i) prohibit Executive from making reports of possible violations of federal law or regulation (even if Executive participated in such violations) to, and cooperating with, any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002 or of any other whistleblower protection provisions of state or federal law or regulation; (ii) require notification to or prior approval by the Company of any such reporting or cooperation; or (iii) result in a waiver or other limitation of Executive's rights and remedies as a whistleblower, including to a monetary award. Notwithstanding the foregoing, Executive is not authorized (and the above should not be read as permitting the Executive) to disclose communications with counsel that were made for the purpose of receiving legal advice or that contain legal advice or that are protected by the attorney work product or similar privilege. Furthermore, Executive will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (1) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, in each case, solely for the purpose of reporting or investigating a suspected violation of law or (2) in a complaint or other document filed in a lawsuit or proceeding, if such filings are made under seal.

7. Return of Property. Executive shall, upon the Company's demand and in any event before or promptly upon termination of Executive's Company Employment, deliver to the Company the original and all copies of all documents, files, data, records and property of any nature whatsoever which are in Executive's possession or control and which are the property of the Company or which relate to the business activities, facilities or locations of the Company, or contain any Confidential Information or Trade Secrets of the Company, including any such records, documents or property created or maintained by Executive on any device or media Executive owns. Upon termination of employment with the Company, Executive agrees to attend an exit interview and to provide the Company with access to any personal computer, rolodex, PDA, i-phone or other device or media owned by Executive but used in the course of employment with the Company to ensure compliance with the terms of this Agreement.

8. Non-Competition. Executive hereby acknowledges that Executive is familiar with the Confidential Information of the Company and its Affiliates. Executive acknowledges and agrees that the Company would be irreparably damaged if Executive were to provide services to any person directly or indirectly competing with the Company or any of its Affiliates or engaged in a Similar Business and that such competition by Executive would result in a significant loss of Goodwill by the Company. Therefore, in consideration of Executive's participation in the Policy and the grant of any form of long-term compensation, Executive agrees that the following are reasonable restrictions and agrees to be bound by such restrictions:

a. During Executive's Company Employment, and for a period of twelve (12) months immediately following the termination of such employment for any reason (voluntarily or involuntarily), Executive shall not, directly or indirectly, engage in, own, manage, operate or provide services to, or be employed by any entity engaged in Similar Business services or activities within a 10-mile perimeter of where the Company is engaged in or has conducted business in Puerto Rico or any other country with respect to which the Company has conducted business during the 12 consecutive month period ending on the termination of employment; provided, that nothing herein shall prohibit Executive from being a passive owner of not more than 5% of the outstanding stock of any class of a corporation which is publicly traded so long as Executive does not have any active participation in the business of such corporation.

b. Executive warrants and represents that the nature and extent of this non-competition clause has been fully explained to Executive by the Company, and that Executive's decision to accept the same is made voluntarily, knowingly, intelligently and free from any undue pressure or coercion. Executive further warrants and represents that Executive has agreed to this non-competition clause in exchange for compensation, benefits and protections Executive is receiving under this Agreement.

9. Non-solicitation. Executive recognizes and admits that the Company has a legitimate business interest in retaining its employees, representatives, agents and/or consultants and of protecting its business from previous employees, representatives, agents and/or consultants, which makes necessary the establishment of a non-solicitation clause in the Agreement. In consideration of Executive's participation in the Policy and the grant of any form of long-term compensation, during the Executive's Company Employment and for a period of twelve (12) months following the termination of such employment, Executive shall not, directly or indirectly, (i) induce or attempt to induce any employee, representative, agent or consultant of the Company or any of its affiliates or subsidiaries to leave the employ or services of the Company or any of its affiliates or subsidiaries, or in any way interfere with the relationship between the Company or any of its affiliates or subsidiaries and any employee, representative, agent or consultant thereof or (ii) hire any person who was an employee, representative, agent or

consultant of the Company or any of its affiliates or subsidiaries at any time during the twelve-month period immediately prior to the date on which such hiring would take place. No action by another person or entity shall be deemed to be a breach of this provision unless the Executive directly or indirectly assisted, encouraged or otherwise counseled such person or entity to engage in such activity.

10. Reciprocal Non-disparagement. During the Employment Period and at all times thereafter, neither Executive nor Executive's agents or representatives shall directly or indirectly issue or communicate any public statement, or statement likely to become public, that maligns, denigrates or disparages the Company or any of its Affiliates (including any of the Company's officers, directors or employees). The foregoing shall not be violated by (i) truthful statements made in connection with the enforcement of this Agreement or in response to legal process or governmental inquiry or (ii) by private statements to the Company or any of Company's officers, directors or employees; provided, that in the case of Executive, with respect to clause (ii), such statements are made in the course of carrying out Executive's duties pursuant to this Agreement. Likewise, during the Executive's Company Employment and at all times thereafter, the Board shall use its reasonable best efforts to ensure that none of its members directly or indirectly issue or communicate any public statement, or statement likely to become public, that maligns, denigrates or disparages Executive. The foregoing shall not be violated by (i) truthful statements made in connection with the enforcement of this Agreement or in response to legal process or governmental inquiry or (ii) by private statements by the Company to any of Company's officers or directors.

11. Cooperation. Executive agrees to cooperate with the Company and its attorneys in connection with any and all lawsuits, claims, investigations, or similar proceedings that have been or could be asserted at any time arising out of or related in any way to Executive's Company Employment. The Company shall reimburse Executive for his or her actual expenses incurred in complying with this provision.

12. Notices. All notices, request, demands and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand or when mailed by United States certified or registered mail with postage prepaid addressed as follows:

If to Executive, to the address set forth by Executive on the signature page of this Agreement or to such other person or address which Executive shall furnish to the Company in writing pursuant to the above.

If to the Company, to the attention of the Company's General Counsel at the address set forth on the signature page of this Agreement or to such other person or address as the Company shall furnish to Executive in writing pursuant to the above

13. Enforceability. Executive recognizes that irreparable injury may result to the Company, its business and property, and the potential value thereof in the event of a sale or other transfer, if Executive breaches any of the restrictions imposed on Executive by this Agreement, and Executive agrees that if Executive shall engage in any act in violation of such provisions, then the Company shall be entitled, in addition to such other remedies and damages as may be available, to an injunction prohibiting Executive from engaging in any such act.

14. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon and enforceable by Evertec Group, LLC, its successors, assigns and Affiliates, all of which (other than Evertec Group, LLC) are intended third-party beneficiaries of this Agreement. Executive hereby consents to the assignment of this Agreement to any person or entity.

15. Severability. It is the desire and intent of the Parties hereto that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Upon a determination that any term or provision is invalid, illegal, or incapable of being enforced, the Parties agree that a reviewing court shall have the authority to "blue pencil" or modify this Agreement so as to render it enforceable and effect the original intent of the parties to the fullest extent permitted by applicable law. Any invalidity or unenforceability of any provision of this Agreement is not intended to affect the validity or enforceability of any other provision of this Agreement, which the parties intend to be severable and divisible, and to remain in full force and effect to the greatest extent permissible under applicable law.

16. Governing Law. The laws of the Commonwealth of Puerto Rico, without reference to conflict of law principles thereof, shall be the controlling law in all matters relating to this Agreement.

17. Miscellaneous. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either party which are not set forth expressly in this Agreement. This Agreement may be modified only by a written agreement signed by Executive and a duly authorized officer of the Company.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

EVERTEC GROUP, LLC
Carr. 176, Km. 1.3
Cupey Bajo
San Juan, Puerto Rico, 00926

By: _____
Name: Morgan M. Schuessler
Title: President and CEO

[EXECUTIVE]

By: _____
Name:
Address:

**EVERTEC, INC.
2022 INCENTIVE AWARD PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT**

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (together with the Vesting Schedule (defined below), this “**Agreement**”) is made as of this 1st day of November 2023 (the “**Date of Grant**”), by and between EVERTEC, Inc. (the “**Company**”) and you (the “**Participant**”). Defined terms used but not otherwise defined herein will have the meanings attributed to them in the Plan (defined below).

W I T N E S S E T H

WHEREAS, the Company maintains the EVERTEC, Inc. 2022 Incentive Award Plan (the “**Plan**”);

WHEREAS, in connection with the Participant’s service as an employee of the Company or any of its affiliates and Subsidiaries (the “**Employment**”), the Company desires to grant Restricted Stock Units (“**RSUs**”) to the Participant (the “**Award**”), subject to the terms and conditions of the Plan and this Agreement; and

WHEREAS, such RSUs will be time-based RSUs (“**Time-Based RSUs**”), which vest on a future specified date or dates, as specified in Exhibit A.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein and for other good and valuable consideration, the parties agree as follows:

1. **Grant of RSUs.** In consideration of the Employment, the Company will grant to the Participant the number of RSUs set forth in the vesting schedule included herein as Exhibit A (the “**Vesting Schedule**”). Each RSU represents the unfunded and unsecured promise of the Company to deliver to the Participant one share of common stock, par value \$.01 per share, of the Company (the “**Common Stock**”) on the Settlement Date (as defined in Section 6 hereof).
2. **Purchase Price.** The purchase price of the RSUs shall be deemed to be zero U.S. Dollars (\$0) per share.
3. **Vesting.** The RSUs shall vest and become non-forfeitable on the dates established in the Vesting Schedule (each such date, a “Vesting Date”), provided that the Participant is actively carrying out his or her duties in connection with the Employment at all times from the Date of Grant through each respective Vesting Date.
4. **RSUs Vesting Acceleration.**
 - (a) In the event of the Employment’s termination due to Participant’s death or Disability (defined below), then all of the RSUs that have not become vested as of the date of the death or the Termination Date (defined below) due to Participant’s Disability, as applicable, shall become fully vested as of the Termination Date conditioned on the Participant, if legally capable at such time, or his estate, beneficiaries or legal representatives, if Participant is deceased or legally incapable at such time, executing a general release of claims related to or arising from Participant’s Employment, in a form acceptable to the Company.
 - (b) In the event the Employment is terminated by Company or any of its Subsidiaries without Cause, all unvested RSUs shall vest on a pro-rata basis as of the Termination Date and the Termination Date shall be deemed the Vesting Date under this Agreement. For purposes of this clause, the pro-rata portion of the award that will become vested shall be determined by multiplying the total number of RSUs subject to the award by a fraction, the numerator of which is the number of completed months in which the Participant was employed from the Date of Grant to the Termination Date, and the denominator of which is the number of months required for the award to vest in full under the Vesting Schedule, and then reducing therefrom the number of RSUs that have previously been vested under the award, if any.

(c) In the event the Employment is terminated for any other reason, including without limitation by the Company with cause or due to the Participant's resignation, then all RSUs that have not become vested as of the Termination Date shall automatically be forfeited.

(d) For purposes of this Section 4:

"Disability" has the following meaning: the Participant's inability to perform the Employment by reason of any medically determinable physical or mental impairment for a period of 6 months or more in any 12-month period.

"Termination Date" is the date the Participant's Employment is terminated

"cause" means, as determined by the Company in its sole discretion, Participant's (i) commission of a felony or a crime of moral turpitude; (ii) engaging in conduct that constitutes fraud, bribery or embezzlement; (iii) engaging in conduct that constitutes gross negligence or willful misconduct that results or could reasonably be expected to result in harm to the Company's business or reputation; (iv) breach of any material terms of any agreement between the Company and Participant which results or could reasonably be expected to result in harm to the Company's business or reputation; (v) continued willful failure to substantially perform his or her reasonable and proper duties; or (vi) violation of the Company's "Code of Ethics" or other written Company policy which is materially injurious to the Company.

5. **Dividend Equivalents.** If the Company pays an ordinary cash dividend on its outstanding Common Stock at any time between the Date of Grant and the Settlement Date (as defined in Section 6 below)—provided that the date on which stockholders of record are determined for purposes of paying a cash dividend on issued and outstanding shares of the Common Stock falls after the Date of Grant—the Participant shall receive on the Settlement Date or at the next payroll payment (but in no event more than 75 days after the Vesting Date) either: (a) a number of Shares (as defined in Section 6 below) having a Fair Market Value (as defined below) on the Vesting Date equal to the aggregate amount of the cash dividends paid by the Company on a single share of the Common Stock, multiplied by the number of RSUs that are settled on the Settlement Date; or (b) a lump sum cash payment equal to the aggregate amount of the cash dividends paid by the Company on a single share of the Common Stock, multiplied by the number of RSUs that are settled on the Settlement Date ((a) or (b) as applicable, the **"Dividend Payment"**); provided, however, that in the case of (a), any partial Share resulting from the calculation will be paid in cash.

For purposes of this Agreement, **"Fair Market Value"** means the closing price of the Company's Common Stock at the close of business of the applicable date.

6. **Settlement.** Within 75 days following the day any RSUs are vested in accordance with the terms and conditions of this Agreement (the **"Settlement Date"**), the Company shall (a) issue and deliver to the Participant one share of Common Stock for each vested RSU (the **"Shares"**) and enter the Participant's name as a shareholder of record or beneficial owner with respect to the Shares on the books of the Company; and (b) calculate the Dividend Payment. The Participant agrees that the Company may deduct from the Dividend Payment any amounts owed by the Participant to the Company with respect to any whole Share issued by the Company to the Participant to cover any partial Share resulting from the settlement process.

7. **Restrictive Covenants.**

- (a) The Participant hereby acknowledges that he or she is familiar with the Confidential Information (defined below) of the Company and its affiliates and Subsidiaries. The Participant acknowledges and agrees that the Company would be irreparably damaged if the Participant were to provide services to any person competing with the Company or any of its affiliates or Subsidiaries or engaged in a Similar Business (defined below)

and that such competition by the Participant would result in a significant loss of goodwill by the Company. Therefore, the Participant agrees that the following are reasonable restrictions:

- i. **Similar Business:** In consideration of the Award, during the Employment and for a term of 12 months immediately after the Termination Date, the Participant shall not, directly or indirectly, engage in Similar Business services or activities in Brazil, during the 12 consecutive month period ending on the Termination Date; provided, that nothing herein shall prohibit the Participant from being a passive owner of not more than 5% of the outstanding stock of any class of a corporation which is publicly traded so long as the Participant has no active participation in the business of such corporation.
- (b) In consideration of the Award, during the Employment and ending 12 months after the Termination Date, the Participant shall not directly, or indirectly through another person, (i) induce or attempt to induce any employee, representative, agent or consultant of the Company or any of its affiliates or Subsidiaries to leave the employ or services of the Company or any of its affiliates or Subsidiaries, or in any way interfere with the relationship between the Company or any of its affiliates or Subsidiaries and any employee, representative, agent or consultant thereof; or (ii) hire any person who was an employee, representative, agent or consultant of the Company or any of its affiliates or Subsidiaries at any time during the 12 month period immediately prior to the date on which such hiring would take place. No action by another person or entity shall be deemed to be a breach of this provision unless the Participant directly or indirectly assisted, encouraged or otherwise counseled such person or entity to engage in such activity.
- (c) For purposes of this Section 7:
- i. **"Engage"** means participate in, consult with, be employed by, or assist with the organization, policy making, ownership, financing, management, operation or control of any Similar Business in any capacity in which, in the absence of this Agreement, Confidential Information, inventions, trade secrets of the Company or goodwill would reasonably be considered useful.
 - ii. **"Similar Business"** shall mean the same business of providing full service transaction processing, including merchant acquiring, payment services and business process management services, to the extent such activity or activities were actually performed or engaged in by, for, or on behalf of, the Company or any of its subsidiaries or affiliates during the Employment period.
 - iii. **"Confidential Information"** means information that is not generally known to the public (but for purposes of clarity, Confidential Information shall never exclude any such information that becomes known to the public because of Participant's unauthorized disclosure) and that is used, developed or obtained by the Company in connection with its business, including, but not limited to, information, observations and data obtained by the Participant during the Employment concerning (A) the business or affairs of the Company, its affiliates or Subsidiaries; (B) products or services; (C) fees, costs and pricing structures; (D) designs; (E) analyses; (F) drawings, photographs and reports; (G) computer software, including operating systems, applications and program listings; (H) flow charts, manuals and documentation; (I) databases; (J) accounting and business methods; (K) inventions, devices, new developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice; (L) customers and clients and customer or client lists; (M) other copyrightable works; (N) all production methods, processes, technology and trade secrets; and (O) all similar and related information in whatever form. Confidential Information will not include any information that has been published in a form generally available to the public (except as a result of Participant's unauthorized disclosure or any third party's unauthorized disclosure resulting from any direct or indirect influence by Participant) prior to the date Participant proposes to disclose or use such information. Confidential Information

will not be deemed to have been published or otherwise disclosed merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

8. **Taxes.** Unless otherwise required by applicable law, on the Settlement Date, (a) the Shares and the Dividend Payment will be considered ordinary income for tax purposes and subject to all applicable payroll taxes; (b) the Company shall report such income to the appropriate taxing authorities as it determines to be necessary and appropriate; (c) the Participant shall be responsible for payment of any taxes due in respect of the Shares and the Dividend Payment; and (d) the Company shall withhold taxes in respect of the Shares and the Dividend Payment (a "**Tax Payment**"). In order to satisfy the Participant's obligation to pay the Tax Payment, the Company will withhold from any Shares otherwise to be delivered to the Participant, a number of whole shares of Common Stock having a Fair Market Value equal to the Tax Payment (i.e., a "**cashless exercise**"); provided, however, that the Participant may elect to satisfy his or her obligation to pay the Tax Payment through a non-cashless exercise, by notifying the Company within at least 5 business days before the Settlement Date. If the Participant does not provide such notification within the established timeframe, the Company will proceed with the default method of the cashless exercise. If the Participant fails to pay any required Tax Payment, the Company may, in its discretion, deduct any Tax Payments from any amount then or thereafter payable by the Company to the Participant and take such other action as deemed necessary to satisfy all obligations for the Tax Payment (including reducing the number of Shares delivered on the Settlement Date). The Participant agrees to pay the Company in the form of a check or cashier's check any overage of the Tax Payment paid by the Company as a result of making whole any partial Share issued through a cashless exercise. Furthermore, the Participant acknowledges and agrees that the Participant will be solely responsible for making any Tax Payment directly to the appropriate taxing authorities should the Participant opt not to satisfy his or her Tax Payment through a cashless exercise.
9. **Rights as Stockholder.** Upon and following the Settlement Date (but not before), the Participant shall be the record or beneficial owner of the Shares unless and until such Shares are sold or otherwise disposed of, and, if a record owner, shall be entitled to all rights of a stockholder of the Company (including voting rights).
10. **Governing Law.** This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Puerto Rico applicable to contracts to be performed therein. The Participant expressly consents that any action or proceeding relating to the Plan will be heard without a jury. No action relating to the Plan may be brought later than the first anniversary of earlier of termination of Employment or other event giving rise to the claim.
11. **Notice.** Every notice or other communication relating to this Agreement shall be made in writing and the notice, request or other communication shall be deemed to be received upon receipt by the party entitled thereto. Any notice, request or other communication by the Participant should be delivered to the Company's Chief Legal Officer.
12. **Miscellaneous.** This Agreement and the Plan contain the entire agreement between the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties hereto. This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall, upon the death of the Participant, acquire any rights hereunder in accordance with this Agreement or the Plan. The terms and provisions of the Plan and the Vesting Schedule are incorporated herein by reference, and the Participant hereby acknowledges receiving a copy of the Plan. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Agreement, the Plan shall govern and control.

By clicking "I Accept" below, the Participant is hereby agreeing to the terms and conditions of this Agreement as of the Date of Grant set forth above, and that he or she has read the same, including the Vesting Schedule.

Exhibit A - Vesting Schedule

Number of Time-Based RSUs to vest	Vesting Date
[*]	11/01/2027

EVERTEC, INC.
2022 EQUITY INCENTIVE PLAN
RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS RESTRICTED STOCK UNIT AWARD AGREEMENT (together with the Vesting Schedule (defined below), this “**Agreement**”) is made as of this 29th day of February, 2024 (the “**Date of Grant**”), by and between EVERTEC, Inc. (the “**Company**”) and you (the “**Participant**”). Defined terms used but not otherwise defined herein will have the meanings attributed to them in the Plan (defined below).

W I T N E S S E T H

WHEREAS, the Company maintains the EVERTEC, Inc. 2022 Equity Incentive Plan (the “**Plan**”);

WHEREAS, in connection with the Participant’s service as an employee of the Company or any of its Affiliates and Subsidiaries (the “**Employment**”), the Company desires to grant Restricted Stock Units (“**RSUs**”) to the Participant (the “**Award**”), subject to the terms and conditions of the Plan and this Agreement; and

WHEREAS, such RSUs will be time-based RSUs (“**Time-Based RSUs**”), which vest on a future specified date or dates, as specified in Exhibit A.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein and for other good and valuable consideration, the parties agree as follows:

1. **Grant of RSUs.** In consideration of the Employment, the Company will grant to the Participant the number of RSUs set forth in the vesting schedule included herein as Exhibit A (the “**Vesting Schedule**”). Each RSU represents the unfunded and unsecured promise of the Company to deliver to the Participant one share of common stock, par value \$.01 per share, of the Company (the “**Common Stock**”) on the Settlement Date (as defined in Section 6 hereof).
 2. **Purchase Price.** The purchase price of the RSUs shall be deemed to be zero U.S. Dollars (\$0) per share.
 3. **Vesting.** The RSUs shall vest and become non-forfeitable on the dates established in the Vesting Schedule (each such date, a “**Vesting Date**”), provided that the Participant is actively carrying out his or her duties in connection with the Employment at all times from the Date of Grant through each respective Vesting Date.
 4. **RSUs Vesting Acceleration.**
 - (a) In the event of the Employment’s termination due to Participant’s death or Disability (defined below), then all of the Time-Based RSUs that have not become vested as of the date of the death or the Termination Date (defined below) due to Participant’s Disability, as applicable, shall become fully vested as of the Termination Date conditioned on the Participant, if legally capable at such time, or his estate, beneficiaries or legal representatives, if Participant is deceased or legally incapable at such time, executing a general release of claims related to or arising from Participant’s Employment, in a form acceptable to the Company.
 - (b) In the event the Employment is terminated for any other reason, including without limitation by the Company with or without cause or due to the Participant’s resignation, then all RSUs that have not become vested as of the Termination Date shall automatically be forfeited.
 - (c) For purposes of this Agreement:
-

- i. **"Disability"** has the following meaning: the Participant's inability to perform the Employment by reason of any medically determinable physical or mental impairment for a period of 6 months or more in any 12-month period.
- ii. **"Termination Date"** is the date the Participant's Employment is terminated under the circumstances set forth in (a) or (b) above.

5. **Dividend Equivalents.** If the Company pays an ordinary cash dividend on its outstanding Common Stock at any time between the Date of Grant and the Settlement Date (as defined in Section 6 below) -- provided that the date on which stockholders of record are determined for purposes of paying a cash dividend on issued and outstanding shares of the Common Stock falls after the Date of Grant -- the Participant shall receive on the Settlement Date or at the next payroll payment (but in no event more than 75 days after the Vesting Date) either: (a) a number of Shares (as defined in Section 6 below) having a Fair Market Value (as defined below) on the Vesting Date equal to the aggregate amount of the cash dividends paid by the Company on a single share of the Common Stock, multiplied by the number of RSUs that are settled on the Settlement Date; or (b) a lump sum cash payment equal to the aggregate amount of the cash dividends paid by the Company on a single share of the Common Stock, multiplied by the number of RSUs that are settled on the Settlement Date ((a) or (b) as applicable, the **"Dividend Payment"**); provided, however, that in the case of (a), any partial Share resulting from the calculation will be paid in cash.

For purposes of this Agreement, **"Fair Market Value"** means the closing price of the Company's Common Stock at the close of business of the applicable date.

6. **Settlement.** Within 75 days following the day any RSUs are vested in accordance with the terms and conditions of this Agreement (the **"Settlement Date"**), the Company shall (a) issue and deliver to the Participant one share of Common Stock for each vested RSU (the **"Shares"**) and enter the Participant's name as a shareholder of record or beneficial owner with respect to the Shares on the books of the Company; and (b) calculate the Dividend Payment. The Participant agrees that the Company may deduct from the Dividend Payment any amounts owed by the Participant to the Company with respect to any whole Share issued by the Company to the Participant to cover any partial Share resulting from the settlement process.

7. **Restrictive Covenants.**

(a) The Participant hereby acknowledges that he or she is familiar with the Confidential Information (defined below) of the Company and its Affiliates and Subsidiaries. The Participant acknowledges and agrees that the Company would be irreparably damaged if the Participant were to provide services to any person competing with the Company or any of its Affiliates or Subsidiaries or engaged in a Similar Business (defined below) and that such competition by the Participant would result in a significant loss of goodwill by the Company. Therefore, the Participant agrees that the following are reasonable restrictions:

- i. **Similar Business:** In consideration of the Award, during the Employment and for a term of 12 months immediately after the Termination Date, the Participant shall not, directly or indirectly, Engage in Similar Business services or activities within a 10-mile perimeter of where the Company is engaged in business in Puerto Rico and within that same perimeter in any other country with respect to which the Participant performed his duties on a regular basis as an employee for the Company, during the 12 consecutive month period ending on the Termination Date; provided, that nothing herein shall prohibit the Participant from being a passive owner of not more than 5% of the outstanding stock of any class of a corporation which is publicly traded so long as the Participant has no active participation in the business of such corporation.

(b) In consideration of the Award, during the Employment and ending 12 months after the Termination Date, the Participant shall not directly, or indirectly through another person, (i) induce or attempt to induce any employee, representative, agent or consultant of the Company or any of its Affiliates or Subsidiaries to leave

the employ or services of the Company or any of its Affiliates or Subsidiaries, or in any way interfere with the relationship between the Company or any of its Affiliates or Subsidiaries and any employee, representative, agent or consultant thereof; or (ii) hire any person who was an employee, representative, agent or consultant of the Company or any of its Affiliates or Subsidiaries at any time during the 12 month period immediately prior to the date on which such hiring would take place. No action by another person or entity shall be deemed to be a breach of this provision unless the Participant directly or indirectly assisted, encouraged, or otherwise counseled such person or entity to engage in such activity.

(c) For purposes of this Section 7:

- i. **“Engage”** means participate in, consult with, be employed by, or assist with the organization, policy making, ownership, financing, management, operation, or control of any Similar Business in any capacity in which, in the absence of this Agreement, Confidential Information, inventions, Trade Secrets of the Company or Goodwill would reasonably be considered useful.
- ii. **“Similar Business”** shall mean the same business of providing full-service transaction processing, including merchant acquiring, payment services and business process management services, to the extent such activity or activities were actually performed or engaged in by, for, or on behalf of, the Company or any of its subsidiaries or affiliates during the employment period.
- iii. **“Confidential Information”** means information that is not generally known to the public (but for purposes of clarity, Confidential Information shall never exclude any such information that becomes known to the public because of Participant’s unauthorized disclosure) and that is used, developed or obtained by the Company in connection with its business, including, but not limited to, information, observations and data obtained by the Participant during the Employment concerning (A) the business or affairs of the Company, its Affiliates or Subsidiaries; (B) products or services; (C) fees, costs and pricing structures; (D) designs; (E) analyses; (F) drawings, photographs and reports; (G) computer software, including operating systems, applications and program listings; (H) flow charts, manuals and documentation; (I) databases; (J) accounting and business methods; (K) inventions, devices, new developments, methods and processes, whether patentable or unpatentable and whether or not reduced to practice; (L) customers and Clients and customer or Client lists; (M) other copyrightable works; (N) all production methods, processes, technology and trade secrets; and (O) all similar and related information in whatever form. Confidential Information will not include any information that has been published in a form generally available to the public (except as a result of Participant’s unauthorized disclosure or any third party’s unauthorized disclosure resulting from any direct or indirect influence by Participant) prior to the date Participant proposes to disclose or use such information. Confidential Information will not be deemed to have been published or otherwise disclosed merely because individual portions of the information have been separately published, but only if all material features comprising such information have been published in combination.

8. **Taxes.** Unless otherwise required by applicable law, on the Settlement Date, (a) the Shares and the Dividend Payment will be considered ordinary income for tax purposes and subject to all applicable payroll taxes; (b) the Company shall report such income to the appropriate taxing authorities as it determines to be necessary and appropriate; (c) the Participant shall be responsible for payment of any taxes due in respect of the Shares and the Dividend Payment; and (d) the Company shall withhold taxes in respect of the Shares and the Dividend Payment (a **“Tax Payment”**). In order to satisfy the Participant’s obligation to pay the Tax Payment, the Company will withhold from any Shares otherwise to be delivered to the Participant, a number of whole shares of Common Stock having a Fair Market Value equal to the Tax Payment (i.e., a **“cashless exercise”**); provided, however, that the Participant may elect to satisfy his or her obligation to pay the Tax Payment through a non-cashless exercise, by notifying the Company within at least 5 business days before the Settlement Date. If the Participant does not provide such notification within the established timeframe, the Company will proceed with the default method of the cashless exercise. If the Participant fails to pay any required Tax Payment, the Company may, in its discretion, deduct any Tax

Payments from any amount then or thereafter payable by the Company to the Participant and take such other action as deemed necessary to satisfy all obligations for the Tax Payment (including reducing the number of Shares delivered on the Settlement Date). The Participant agrees to pay the Company in the form of a check or cashier's check any overage of the Tax Payment paid by the Company as a result of making whole any partial Share issued through a cashless exercise. Furthermore, the Participant acknowledges and agrees that the Participant will be solely responsible for making any Tax Payment directly to the appropriate taxing authorities should the Participant opt not to satisfy his or her Tax Payment through a cashless exercise.

9. **Rights as Stockholder.** Upon and following the Settlement Date (but not before), the Participant shall be the record or beneficial owner of the Shares unless and until such Shares are sold or otherwise disposed of, and, if a record owner, shall be entitled to all rights of a stockholder of the Company (including voting rights).
10. **Governing Law.** This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Puerto Rico applicable to contracts to be performed therein. The Participant expressly consents that any action or proceeding relating to the Plan will be heard without a jury. No action relating to the Plan may be brought later than the first anniversary of earlier of termination of employment or other event giving rise to the claim.
11. **Notice.** Every notice or other communication relating to this Agreement shall be made in writing and the notice, request or other communication shall be deemed to be received upon receipt by the party entitled thereto. Any notice, request or other communication by the Participant should be delivered to the Company's Chief Legal Officer.
12. **Miscellaneous.** This Agreement and the Plan contain the entire agreement between the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations, and negotiations in respect thereto. No change, modification, or waiver of any provision of this Agreement shall be valid unless in writing and signed by the parties hereto. This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall, upon the death of the Participant, acquire any rights hereunder in accordance with this Agreement or the Plan. The terms and provisions of the Plan and the Vesting Schedule are incorporated herein by reference, and the Participant hereby acknowledges receiving a copy of the Plan. In the event of a conflict or inconsistency between the terms and provisions of the Plan and the provisions of this Agreement, the Plan shall govern and control.

By clicking "I Accept" below, the Participant is hereby agreeing to the terms and conditions of this Agreement as of the Date of Grant set forth above, and that he or she has read the same, including the Vesting Schedule.

Exhibit A - Vesting Schedule

Number of Time-Based RSUs to vest	Vesting Date
[*]	02/28/2025
[*]	02/28/2026
[*]	02/28/2027

AMENDED AND RESTATED INSIDER TRADING POLICY

Corporate Statement

Federal laws and regulations prohibit trading in the securities of a company while in possession of Material Nonpublic Information (as defined below) and in breach of a duty of trust or confidence. These laws and regulations also prohibit anyone who is aware of Material Nonpublic Information from providing this information to others who may trade. Evertec, Inc. (together with its subsidiaries, the “**Company**”) requires its personnel to comply at all times with federal laws and regulations governing insider trading. Violating such laws and regulations can undermine investor trust, harm the reputation and integrity of the Company, and result in dismissal from the Company or even serious criminal and civil charges against the individual and the Company. The Company reserves the right to take disciplinary or other measure(s) it determines in its sole discretion to be appropriate in any particular situation, including disclosure of wrongdoing to governmental authorities.

This Amended and Restated Insider Trading Policy (the “**Policy**”) is intended to assist Evertec Insiders (as defined below) in understanding and complying with applicable insider trading laws and regulations. The ultimate responsibility for complying with this Policy and avoiding improper transactions and other violations of applicable insider trading laws and regulations rests with the individual Evertec Insider.

Key Terms

Authorized Spokespersons – means those persons specifically authorized in Evertec’s Disclosure Policy to make announcements regarding Evertec’s Material Nonpublic Information.

Evertec Insiders – means all Evertec directors, officers¹ and employees. Evertec Insiders are also responsible for ensuring the following persons and entities comply with this Policy as though their actions were the actions of the Evertec Insider: (a) family members who reside with the Evertec Insider, (b) anyone else who lives in the Evertec Insider’s household, and (c) any other family member or person or entity whose transactions in Evertec Securities are directed by the Evertec Insider or are subject to the Evertec Insider’s influence or control (such as parents, siblings or children of an Evertec Insider who consult with him/her before trading in Evertec Securities), even if such family members do not live in the Evertec Insider’s household. This Policy also applies to any entities controlled by individuals subject to the Policy, including any corporations, limited liability companies, partnerships or trusts, and transactions by these entities should be treated for the purposes of this Policy as if they were for the individual’s own account. Evertec may determine that this Policy applies to additional persons with access to Material Nonpublic Information, such as contractors, consultants or other persons designated by Evertec.

Evertec – means Evertec, Inc. and all its direct and indirect affiliates and subsidiaries.

Evertec Securities – means common stock, bonds, options to purchase common stock, and any other securities that may be issued by Evertec, including debt securities, preferred stock, convertible debentures, notes, warrants, exchange-traded options, puts, calls and other derivative securities.

¹ For purposes of this Policy, “officer” has the meaning of the term in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which means Evertec’s president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of Evertec in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for Evertec.

“Purchase” and “sale” are defined broadly under federal securities law. “Purchase” includes not only the actual purchase of a security, but also any contract to purchase or otherwise acquire a security. “Sale” includes not only the actual sale of a security, but also any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions, including conventional cash-for-stock transactions, conversions, the exercise of stock options, and acquisitions and exercises of warrants or puts, calls, pledging and margin loans, or other derivative securities.

Material Information – means any information for which there is a substantial likelihood that a reasonable investor would consider it important in deciding to buy, hold or sell a security, or that, if disclosed, would be viewed by a reasonable investor as having significantly altered the total mix of the information in the marketplace about Evertec. Any information that could be expected to have a significant effect on the market price of Evertec Securities, whether it is positive or negative, should be considered material. If an individual is unsure whether the information is material, the individual should either assume it is material or consult Evertec’s Legal Division. Examples of material information may include (but are not limited to) information about:

- corporate earnings or earnings forecasts;
- possible mergers, acquisitions, tender offers, or dispositions;
- major new products or product developments;
- important business developments, such as developments regarding strategic collaborations;
- management or control changes;
- significant financing developments including pending public sales or offerings of debt or equity securities;
- defaults on borrowings;
- bankruptcies;
- cybersecurity or data security incidents; and
- significant litigation or regulatory actions.

Material Nonpublic Information – means information that is both Material Information and Nonpublic Information.

Nonpublic Information – means information that has not been disclosed broadly to the marketplace in a Regulation FD- compliant method (such as through a press release, a U.S. Securities Exchange Commission (“SEC”) filing, a Regulation FD-compliant (i.e., appropriately pre-announced and publicly accessible) conference call or a similar method of general dissemination or circulation). For information to be considered public, it must be widely disseminated in a manner that makes it generally accessible to investors. The circulation of rumors, even if accurate and reported in the media, does not constitute effective dissemination. Even after such information is broadly disclosed to the marketplace, it is deemed Nonpublic Information until a sufficient period of time elapses for the investing public to absorb it. As a general rule, Evertec has determined that information should not be considered absorbed by the marketplace until: (a) 2:00 p.m. (EST) on the first full New York Stock Exchange (“NYSE”) trading day following Evertec’s conference call relating to the widespread public release of its quarterly or year-end financial results (or if no such conference call is scheduled, following the widespread public release of such financial results) or, (b) if such conference call (or press release if no conference call is scheduled) occurs prior to noon (EST), the opening of trading on the next NYSE trading day.

Specifically Designated Persons (“SDP”) – means Evertec directors, officers, and certain designated employees (along with their controlled entities and household members) who, given their access to financial and other sensitive information about Evertec, have been (or may in the future be) specifically designated by Evertec from time to time as being subject to additional restrictions regarding trading in Evertec Securities. SDPs are subject to certain blackout period restrictions and pre-clearance requirements set forth in this Policy.

Policy Administration

Evertec, along with its Chief Legal and Administrative Officer, reserves its right to amend, implement and interpret, at its own discretion, any clause contained in this Policy. This includes, but is not limited to, the interpretation of any ambiguous clause at its own discretion and may include amendments to, or departures from, the terms of this Policy, to the extent consistent with the general purpose of this Policy and applicable laws and regulations. Actions taken by Evertec, the Evertec Legal Division, and other Evertec personnel do not constitute legal advice, nor do they insulate you from the consequences of noncompliance with this Policy and/or with applicable laws and regulations.

Policy Principles

This Policy upholds the following core principles in support of Evertec's commitment to complying with federal laws and regulations governing "insider trading" and maintaining the highest standards of ethical business conduct.

1. General Prohibitions

Unless otherwise permitted by this Policy, no Evertec Insider shall:

- purchase, sell, gift or otherwise transfer any security of the Company while in possession of Material Nonpublic Information about the Company;
- purchase, sell, gift or otherwise transfer any security of any other company, including a customer, supplier, business partner, or an economically-linked company, such as a competitor or peer company, while in possession of Material Nonpublic Information obtained in connection with Evertec Insider's employment by or service to the Company (to the extent there is a reasonable likelihood that such information would be considered important to an investor in making an investment decision in such other company);
- directly or indirectly communicate Material Nonpublic Information to anyone outside the Company unless in accordance with Company policy regarding confidential information; or
- directly or indirectly communicate Material Nonpublic Information to anyone within the Company except on a need-to-know basis.

Evertec expects all Evertec Insiders to conduct their personal financial affairs in a responsible and prudent manner and encourages them to manage and develop personal financial resources responsibly within their means, maintain a sound financial condition and invest in a responsible manner with a view to achieving long term financial goals. Evertec Insiders must never engage in investment practices that, by nature or practice are, or appear to be, inconsistent with this Policy, illegal, improper, unethical or that present a real or apparent conflict of interest. Transactions that may be necessary or justifiable for independent reasons (such as the need to raise money for a personal emergency or required expenditure) are not exempted from the requirements of applicable laws and regulations and the requirements of this Policy.

There will be times in which an Evertec Insider may need to disclose confidential information about Evertec and its business, which may include Material Nonpublic Information, to third parties in a business transaction, such as a merger, acquisition or joint venture. In these cases, Evertec's Contracting Guidelines (the "**Contracting Guidelines**") provide for the execution of a non-disclosure and confidentiality agreement ("**NDA**") between the parties, specifying the information considered confidential and prohibiting the other party

from using or disclosing it. All Evertec Insiders involved in the negotiation and contracting of business opportunities must comply with the NDA requirements set forth in the Contracting Guidelines and shall consult the Legal Division.

Exempt Transactions

This Policy, except for provisions set forth in the Prohibited Transactions section below, does not apply to:

- transactions directly with the Company;
- gift transactions for family or estate planning purposes, where securities are gifted to a person or entity subject to this Policy, except that gift transactions involving Company securities are subject to pre-clearance;
- transactions relating to equity incentive awards without any open-market sale of securities (e.g., cash exercises of stock options or the “net settlement” of restricted stock units but not broker-assisted cashless exercises or open-market sales to cover taxes upon the vesting of restricted stock units);
- “sell-to-cover” transactions pursuant to a non-discretionary policy adopted by the Company that is intended to facilitate the payment of withholding taxes associated with vesting of equity awards (other than stock options); or
- transactions under a pre-cleared Rule 10b5-1 plan.

Prohibited Transactions

Evertec Insiders may not (a) engage in speculative transactions in Evertec Securities in which the Evertec Insider is trying to profit from short-term movements, either increases or decreases, in the price of Evertec Securities or other transactions that could otherwise give the appearance of impropriety; nor (b) purchase financial instruments, including variable forward contracts, puts, calls, equity swaps, collars and exchange funds, designed to hedge or offset any decrease in market value of Evertec Securities held by such Evertec Insider.

The Company has determined that there is a heightened legal risk and the appearance of improper or inappropriate conduct if persons subject to this Policy engage in certain types of transactions. Therefore, Evertec Insiders shall comply with the following policies with respect to certain transactions in the Company’s securities.

Short Sales

Short sales of the Company’s securities are prohibited by this Policy. Short sales are sales of shares that the insider does not own at the time of sale, or sales of shares against which the insider does not deliver the shares within 20 days after the sale. In addition, Section 16(c) of the Exchange Act prohibits Section 16 reporting persons (i.e., directors, officers, and the Company’s 10% stockholders) from making short sales of the Company’s equity securities.

Options

Transactions in puts, calls, or other derivative securities involving the Company’s equity securities, on an exchange, on an over-the-counter market, or in any other organized market, are prohibited by this Policy.

Hedging Transactions

Hedging transactions involving the Company's securities, such as prepaid variable forward contracts, equity swaps, collars and exchange funds, or other transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of the Company's equity securities, are prohibited by this Policy.

Margin Accounts and Pledging

Individuals are prohibited from pledging Company securities as collateral for a loan, purchasing Company securities on margin (i.e., borrowing money to purchase the securities), or placing Company securities in a margin account. This prohibition does not apply to cashless exercises of stock options under the Company's equity plans, nor to situations approved in advance by the Chief Legal Officer.

2. Selective Disclosure

Evertec is required under federal securities laws to avoid the selective disclosure of Material Nonpublic Information. The announcement of Evertec information to security holders and the investment community is regulated by Evertec's Disclosure Policy and may only be made by Authorized Spokespersons. In accordance with this requirement, Evertec has specifically designated the Authorized Spokespersons as the only representatives authorized to comment on corporate developments that could be of significance to the investing public. No Evertec Insider who receives or has access to Material Nonpublic Information may comment on such information or on any other Evertec information that could be of significance to the investing public, at any time.

3. Blackout Periods

Evertec establishes regular blackout periods, during which time SDPs may not purchase, sell, gift or otherwise transfer any security of the Company, except as otherwise permitted by this Policy. Regular blackout periods may also be applicable to other Evertec Insiders, as determined by Evertec's Chief Legal and Administrative Officer. Special blackout periods may also be established by Evertec from time to time, during which SDPs and/or certain or all Evertec Insiders may be prohibited from purchasing, selling, gifting or otherwise transferring any Evertec Securities and/or securities of other companies. In addition, persons subject to special blackout periods must not disclose that an additional blackout period is in effect.

General Process

1. Pre-Clearance Procedure

The laws and regulations concerning insider trading are complex, and Evertec Insiders are encouraged to seek guidance from the Legal Division prior to considering a transaction in Evertec Securities. Without limiting the foregoing, (a) all transactions in Evertec Securities by SDPs (along with their controlled entities and household members), as well as (b) the adoption, modification or termination of any Trading Plan (as defined below) or any other prearranged trading plan, must be pre-cleared with Evertec's (i) Legal Division and (ii) Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") or the Evertec Insider's Division Manager, as applicable, before entering into any transaction or acting with respect to any such plan. Evertec expects all SDPs to become familiar with, and abide by, Evertec's pre-clearance procedure. Pre-clearance should not be understood to represent legal advice by Evertec that a proposed transaction complies with the law. Any pre-cleared transaction must be completed within five (5) business days of its approval, or before commencement of a blackout period, if earlier. None of Evertec, Evertec's Legal Division or other employees are liable for any delay in reviewing, or refusal of, a request for pre-clearance.

As a general rule, the window period for trading in Evertec Securities will run from 2:01 p.m. (EST) on the first full NYSE trading day following Evertec's conference call relating to the widespread public release of its quarterly or year-end financial results (or if no such conference call is scheduled, following the widespread public release of such financial results) or, if such conference call (or press release if no conference call is scheduled) occurs prior to noon (EST), the opening of trading on the next NYSE trading day; until 11:59 pm (EST) of the 20th day of the third month of each calendar quarter (i.e., March 20th, June 20th, September 20th, and December 20th).

2. Inadvertent Disclosures

Should an Evertec Insider inadvertently comment on any Evertec Securities price movements, rumors or otherwise disclose Material Nonpublic Information to a third party, he/she must promptly contact Evertec's Legal Division.

3. Application of Policy after Termination of Employment

If an Evertec Insider's employment or affiliation with Evertec terminates at a time when he/she has or thinks he/she may have Material Nonpublic Information, the restrictions set forth in this Policy will continue until such information becomes public or is no longer material.

In addition, for a period of ninety (90) calendar days after the last day of service with Evertec of any SDP, such SDP must obtain pre-clearance before entering into any transaction in Evertec Securities.

4. Non-Compliance Notifications

Any Evertec Insider who violates this Policy or any federal or state insider trading law or regulation, or knows of any such violation by any other Evertec Insider, must report the situation immediately to Evertec's Legal Division or through Evertec's Ethics Line (<http://evertecethicsline.com>) if the Evertec Insider desires to maintain his or her anonymity, in which case the notification will be referred to the Legal Division by Evertec's Ethics Officer. Nothing in this Policy prevents you from communicating directly with relevant government authorities about potential violations of law.

5. Rule 10b5-1 Trading Plans

- The trading restrictions set forth in this Policy, other than those transactions described under the Prohibited Transactions section of this Policy, do not apply to transactions under a previously established contract, plan or instruction to trade in Evertec Securities entered into in accordance with Rule 10b5-1 (a "**Trading Plan**") that has been submitted to and preapproved by Evertec's Legal Division and:
- includes a "Cooling-Off Period" for:
 - o Section 16 reporting persons that extends to the later of 90 days after adoption or modification of a Trading Plan or two business days after filing the Form 10-K or Form 10-Q covering the fiscal quarter in which the Trading Plan was adopted, up to a maximum of 120 days; and
 - o employees and any other persons, other than Evertec, that extends 30 days after adoption or modification of a Trading Plan;
- for Section 16 reporting persons, includes a representation in the Trading Plan that the Section 16 reporting person is (1) not aware of any Material Nonpublic Information about Evertec or its

securities; and (2) adopting the Trading Plan in good faith and not as part of a plan or scheme to evade Rule 10b-5;

- has been entered into in good faith at a time when the individual was not in possession of Material Nonpublic Information about Evertec and not otherwise in a blackout period, and the person who entered into the Trading Plan has acted in good faith with respect to the Trading Plan;
- either (1) specifies the amounts, prices, and dates of all transactions under the Trading Plan; or (2) provides a written formula, algorithm, or computer program for determining the amount, price, and date of the transactions, and (3) prohibits the individual from exercising any subsequent influence over the transactions; and
- complies with all other applicable requirements of Rule 10b5-1.

Evertec's Legal Division may impose such other conditions on the implementation and operation of the Trading Plan as Evertec's Legal Division deems necessary or advisable. Evertec Insiders may not adopt more than one Trading Plan at a time except under the limited circumstances permitted by Rule 10b5-1 and subject to preapproval by Evertec's Legal Division.

An SDP may only modify a Trading Plan outside of a blackout period. Further, Evertec Insiders, including such SDPs, may only modify a Trading Plan when such individual does not possess Material Nonpublic Information. Modifications to and terminations of a Trading Plan are subject to preapproval by Evertec's Legal Division and modifications of a Trading Plan that changes the amount, price, or timing of the purchase or sale of the securities underlying a Trading Plan will trigger a new Cooling-Off Period.

Evertec reserves the right to publicly disclose, announce, or respond to inquiries from the media regarding the adoption, modification, or termination of a Trading Plan, or the execution of transactions made under a Trading Plan. Evertec also reserves the right from time to time to suspend, discontinue, or otherwise prohibit transactions under a Trading Plan if Evertec's Legal Division or the Board of Directors, in its discretion, determines that such suspension, discontinuation, or other prohibition is in the best interests of Evertec.

Compliance of a Trading Plan with the terms of Rule 10b5-1 and the execution of transactions pursuant to the Trading Plan are the sole responsibility of the person initiating the Trading Plan, and neither Evertec nor Evertec's Legal Division employees or Evertec's other employees assume any liability for any delay in reviewing and/or refusing to approve a Trading Plan submitted for approval, nor the legality or consequences relating to a person entering into, informing Evertec of, or trading under, a Trading Plan.

Certification of Compliance

All Evertec Insiders subject to this Policy may be asked periodically to certify their compliance with the terms and provisions of this Policy.

EXHIBIT 21.1

Name	Jurisdiction of Incorporation
EVERTEC Intermediate Holdings, LLC	Puerto Rico
EVERTEC Group, LLC	Puerto Rico
OPG Technology Corp.	Puerto Rico
EVERTEC USA, LLC	Delaware
EVERTEC Guatemala, S.A.	Guatemala
EVERTEC Panamá, S.A.	Panama
EVERTEC Dominicana, SAS	Dominican Republic
Everttec Colombia, SAS	Colombia
EVERTEC Costa Rica, S.A.	Costa Rica
Zunify Payments Ltda.	Costa Rica
EVERTEC México Servicios de Procesamiento, S.A. de C.V.	Mexico
Everttec PlacetoPay, S.A.S.	Colombia
BBR SpA	Chile
BBR Perú S.A.C.	Peru
Everttec Chile Holdings SpA	Chile
Everttec Chile SpA	Chile
Paytrue S.A.	Uruguay
Caleidón S.A.	Uruguay
Everttec Chile Servicios Profesionales SpA	Chile
Everttec Chile Global SpA	Chile
Tecnopago España SL	Spain
Everttec Brasil Solutions Informática S.A.	Brazil
Paysmart Pagamentos Eletrônicos Ltda	Brazil
Issuer Holding Ltda.	Brazil
Issuer Instituição de Pagamentos Ltda	Brazil
Sinqia S.A.	Brazil
Torq. Inovação Digital Ltda	Brazil
Sinqia Tecnologia Ltda.	Brazil
Homie do Brasil Informática S.A.	Brazil
Rosk Software S.A.	Brazil
Lote 45 Participações S.A.	Brazil
Compliasset S.A.	Brazil
Grantdata, Inc.	Delaware
Grandata Mexico, S.A. de C.V.	Mexico
Grandata USA, Inc.	Delaware
Big Data Analytics SA	Argentina
Nubity S.R.L.	Argentina
Nubity, Inc.	Delaware
Nubity Cloud, S.A.P.I. de C.V.	Mexico

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333- 190381 on Form S-8 and Registration Statement No. 333-255756 on Form S-3ASR of our reports dated March 3, 2025 relating to the consolidated financial statements of EVERTEC, Inc. and the effectiveness of EVERTEC, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2024.

/s/ Deloitte & Touche LLP

San Juan, Puerto Rico
March 3, 2025

Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a)

I, Morgan M. Schuessler, Jr., certify that:

1. I have reviewed this report on Form 10-K of EVERTEC. Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 3, 2025

/s/ Morgan M. Schuessler, Jr.

Morgan M. Schuessler, Jr.
Chief Executive Officer

Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) or 15d-14(a)

I, Joaquin A. Castrillo-Salgado, certify that:

1. I have reviewed this report on Form 10-K of EVERTEC, Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation ; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 3, 2025

/s/ Joaquin A. Castrillo-Salgado

Joaquin A. Castrillo-Salgado
Chief Financial Officer

**Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of EVERTEC, Inc. (the “Company”), does hereby certify, to such officer’s knowledge, that:

The Annual Report on Form 10-K for the year ended December 31, 2024 (the “Form 10-K”) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 3, 2025

/s/ Morgan M. Schuessler, Jr.

Morgan M. Schuessler, Jr.
Chief Executive Officer

**Certification of Chief Financial Officer Pursuant to 18 U.S.C. 1350
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of EVERTEC, Inc. (the “Company”), does hereby certify, to such officer’s knowledge, that:

The Annual Report on Form 10-K for the year ended December 31, 2024 (the “Form 10-K”) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 3, 2025

/s/ Joaquin A. Castrillo-Salgado

Joaquin A. Castrillo-Salgado
Chief Financial Officer

AMENDED AND RESTATED CLAWBACK POLICY

Purpose

Evertec is establishing this Clawback Policy (this “**Policy**”) to encourage sound financial reporting, increase individual accountability and help ensure that Covered Officers (as defined below) act in the best interests of Evertec and its affiliates and their respective stakeholders at all times. This Policy has been adopted by Evertec’s Board and is amended and restated effective October 2, 2023 (the “**Effective Date**”).

Administration

The Board shall administer this Policy. Subject to the provisions of this Policy, the Board shall make such determinations and interpretations and take such actions in connection with this Policy as it deems necessary or advisable. The Board may delegate its authority under this Policy to the Committee, to the extent required by the Applicable Rules. All determinations and interpretations made by the Board (or the Compensation Committee, if applicable) shall be final, binding and conclusive.

Key Terms

Board – means the Board of Directors of Evertec.

Committee – means the Compensation Committee of the Board (or, in the absence of such a committee responsible for executive compensation decisions, a majority of the independent directors serving on the Board).

Covered Officers – as defined in Section 1(a) of this Policy.

Evertec – means Evertec, Inc. and all its affiliates and subsidiaries.

Policy**1. Coverage.**

- a. Covered Officers. All officers (as defined by Section 16 of the Securities Exchange Act of 1934 and the regulations promulgated thereunder) and all Executive Vice-Presidents are “Covered Officers.” In addition, the Board may designate other employees as “Covered Officers” (or remove such designations to the extent required by Applicable Rules) from time to time. For purposes of this Policy, the term “Covered Officer” means any current or former Covered Officer.
 - b. Covered Compensation Arrangements; Effective Date. This Policy applies to all short- or long-term cash incentives and bonuses, stock options, equity or equity-based awards, whether performance-based or service based (including without limitation Restricted Stock Units as defined in and granted under Evertec, Inc. 2013 Equity Incentive Plan or any successor thereto), or other incentive compensation (collectively, the “**Incentive Compensation**”). For the avoidance of doubt, none of the following shall be deemed to be Incentive Compensation: salary, compensation under plans qualified under Section 401 or 423 of the U.S. Internal Revenue Code (the “**Code**”) or substantially similar plans qualified under non-U.S. law, “other” compensation arising from reasonable relocation expenses, elective deferrals of salary, programs provided to salaried employees generally in which the level of benefits is not determined by the employee’s level of compensation, and programs that provide a de minimis amount of compensation, in each case as determined by the Board. This Policy shall apply only to Incentive Compensation received on or after the Effective Date by a person who is or becomes a current or former Covered Officer.
 - c. Triggering Event. For purposes of this Policy, a “Triggering Event” means the occurrence any of the following:
 - (i) Evertec is required to prepare an accounting restatement (as defined under applicable rules) due to Evertec’s material noncompliance with any financial reporting requirement (a “Restatement”), provided
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that, for the avoidance of doubt, an accounting restatement that occurs as a result of a change in accounting principles shall not be deemed a Triggering Event under this clause (i);

- (ii) A Covered Officer violated any Material Policy (as defined below) while a Covered Officer, and such violation caused demonstrable material injury, damage or loss to Evertec or any of its affiliates; and
- (iii) During employment with Evertec and its affiliates, a Covered Officer engaged in an act that constitutes fraud in connection with the performance of his or her duties with Evertec or any of its affiliates, in any such case without regard to whether the individual was a Covered Officer at the time of such fraud, and such fraud caused demonstrable material injury, damage or loss to Evertec or any of its affiliates.

The Board may from time to time request that a Covered Officer certify on a form acceptable to the Board that he or she has not engaged in conduct constituting a Triggering Event.

For purposes of this Policy, a “Material Policy” means Evertec’s Code of Conduct (or similar policy implemented in its place or outside the U.S.), Evertec’s policies dealing with insider trading, hedging and pledging, harassment (sexual or otherwise), bribery or other similar conduct or any other policy the Board specifically determines is a Material Policy.

2. Exercise of Clawback Authority

If a Triggering Event occurs with respect to a Covered Officer, the Board may seek to require the forfeiture or repayment of the pre-tax amount of the award, vesting or amount of any Incentive Compensation received by the Covered Officer, including, such amount that is equal to the difference between the compensation received and the amount that would have been received had it been calculated based on the Restatement, as applicable, within the three (3) years prior to the occurrence of the Triggering Event. The Board may seek such forfeiture or recoupment from the Covered Officer from any of the following sources in the Board’s discretion: prior Incentive Compensation payments; future Incentive Compensation payments; cancellation of outstanding equity awards; future equity awards; and direct repayment.

Notwithstanding the foregoing, in the event that the Triggering Event is a Restatement under Section 1(c)(i) , the Board shall seek recovery of any amount of Incentive Compensation from those Covered Officers that is required by, and in compliance with, the Applicable Rules.

Notwithstanding the foregoing or anything herein to the contrary (unless otherwise required by the applicable rules), the Board may not seek recovery of any amount of Incentive Compensation by reducing any future amount that is payable and/or to be provided to the Covered Officer and that is considered “non-qualified deferred compensation” under Section 409A of the Code and the regulations and guidance promulgated thereunder. Any forfeiture or recoupment under this Policy will be in addition to any other remedies that may be available under applicable law or Evertec policy, including termination of employment or institution of civil proceedings.

3. Limitations

The authority set forth in Section 2 of this Policy shall be limited to the extent that it would violate any applicable statute or government regulation or where the Committee makes a determination of impracticability in accordance with the Applicable Rules, such as where (1) the Company furnishes documentation to the applicable exchanges showing that the direct costs of recovery would exceed the amount of recovery or (2) an opinion of counsel is provided stating that recovery would violate home-country law.

4. Acknowledgement by Covered Officers

The Board or its delegate shall provide notice and seek written acknowledgement of this Policy, in the form attached hereto as Annex A, from each Covered Officer as soon as practicable after the later of (i) the Effective Date and (ii) the date on which the employee is designated as a Covered Officer; provided, however, that failure to obtain such acknowledgement shall have no impact on the enforceability of this Policy.

5. Amendment and Termination; Interpretation

The Board may, from time to time, terminate, suspend, discontinue, revise or amend this Policy in any respect whatsoever, and (except as described in the immediately following paragraph) any such amendment will apply to Incentive Compensation granted on or after the effective date of that amendment. Nothing in this Policy will be deemed to limit or restrict Evertec from providing for forfeiture or repayment of compensation (including Incentive Compensation) under circumstances not set forth in this Policy.

This Policy shall be interpreted in a manner that is consistent with any applicable rules or regulations adopted by the Securities and Exchange Commission and the New York Stock Exchange pursuant to Section 10D of the Securities Exchange Act of 1934 or otherwise (the “**Applicable Rules**”) and any other applicable law and shall otherwise be interpreted (including in the determination of amounts recoverable) in the business judgment of the Board. To the extent the Applicable Rules or other applicable law require recovery of incentive-based compensation in additional circumstances besides those specified above, nothing in this Policy shall be deemed to limit or restrict Evertec’s right or obligation to recover incentive-based compensation to the fullest extent required by the Applicable Rules or other applicable law, including any forfeiture or repayment as may be required by a Covered Officer to comply with (i) Section 304 of Sarbanes- Oxley Act of 2002, and any implementing rules and regulations adopted thereunder, or (ii) any applicable rules under the laws of any other jurisdiction. This Policy shall be deemed to be automatically amended, as of the date the Applicable Rules become effective with respect to Evertec, to the extent required for this Policy to comply with the Applicable Rules, and any such amendment shall apply to Incentive Compensation granted either before or after that amendment to the extent the Applicable Rules so require.

6. Indemnification

No member of the Board or employee of Evertec in each case exercising such person’s responsibilities under this Policy (each, an “**Indemnitee**”) will have liability to any recipient of an award of Incentive Compensation or any other person for any action taken or omitted to be taken or any determination made in good faith with respect to this Policy. Evertec shall indemnify, defend, and hold harmless each Indemnitee from and against any loss, cost, liability or expense (including attorneys’ fees) that may be imposed upon or incurred by such Indemnitee in connection with or resulting from any action, suit or proceeding to which such Indemnitee may be a party or in which such Indemnitee may be involved by reason of any action taken or omitted to be taken under this Policy and from and against any and all amounts paid by such Indemnitee, with Evertec’s approval, in settlement thereof, or paid by such Indemnitee in satisfaction of any judgment in any such action, suit or proceeding against such Indemnitee. The foregoing rights of indemnification, defense, and hold harmless shall not be available to an Indemnitee to the extent that a court of competent jurisdiction in a final judgment or other final adjudication, in either case, not subject to further appeal, determines that such Indemnitee’s acts or omissions giving rise to the indemnification claim resulted from such Indemnitee’s bad faith, fraud or willful misconduct. The foregoing rights of indemnification, defense, and hold harmless will not be exclusive of any other rights of indemnification to which Indemnitees may be entitled under Evertec’s Certificate of Incorporation or Bylaws, as a matter of law, or otherwise, or any other power that Evertec may have to indemnify or defend such persons or hold them harmless. For the avoidance of doubt, the foregoing right of indemnification, defense, and hold harmless shall not be available to a Covered Officer with respect to the forfeiture or recovery of an award or other payment made to such Covered Officer.

7. Severability

If any provision of this Policy or its application to any Covered Officer shall be adjudicated to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Policy, and the invalid, illegal or unenforceable provision shall be deemed amended to the minimum extent necessary to render any such provision or application enforceable.

8. Arbitration Agreement

Any controversy, dispute or claim arising out of or relating to this Policy which the parties are unable to resolve by mutual agreement, shall be settled by submission by either the Covered Officer or Evertec of the controversy, claim or dispute to binding arbitration in San Juan, Puerto Rico (unless the Parties agree in writing to a different location), before a single arbitrator in accordance with the Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association then in effect. In any such arbitration proceeding the Parties agree to provide all

discovery deemed necessary by the arbitrator. The decision and award made by the arbitrator shall be accompanied by a reasoned opinion, and shall be final, binding, conclusive and not appealable on all Parties hereto for all purposes, and judgment may be entered thereon in any court having jurisdiction thereof. Each party shall bear its own litigation costs and expenses (including, without limitation, legal counsel fees and expenses); provided, however, that the arbitrator shall have the discretion to award the prevailing party reimbursement of its reasonable attorneys' fees and costs. Upon the request of either of the Parties, at any time prior to the beginning of the arbitration hearing the Parties may attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association. In any arbitration, neither of the Parties will be entitled to present, maintain or participate in a class, collective or representative complaint, and the arbitrator will have no authority over any of said claims or actions.

9. Waiver of Jury Trial

EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS POLICY.

10. Successors

This Policy shall be binding and enforceable against all Covered Officers and their beneficiaries, heirs, executors, administrators or other legal representatives.

**ACKNOWLEDGEMENT AND CONSENT TO
AMENDED AND RESTATED CLAWBACK POLICY**

The undersigned has received a copy of the Amended and Restated Clawback Policy (the “**Policy**”) adopted by the Board of Directors of Evertec, Inc. (the “**Company**”).

For good and valuable consideration, the receipt of which is acknowledged, the undersigned agrees to the terms of the Policy and agrees that compensation received by the undersigned may be subject to reduction, cancellation, forfeiture and/or recoupment to the extent necessary to comply with the Policy, notwithstanding any other agreement to the contrary. The undersigned further acknowledges and agrees that the undersigned is not entitled to indemnification in connection with any enforcement of the Policy, to the extent set forth in this Policy, and expressly waives any rights to such indemnification under the Company’s organizational documents or otherwise.

Date

Signature

Name of the Covered Officer

Title