

# 2025

## Consolidated financial statements

As of December 31, 2025 and Report of Independent Registered Public Accounting Firm

March 04, 2026



### Investor Relations

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## **Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Shareholders of PagSeguro Digital Ltd.

### ***Opinions on the Financial Statements and Internal Control over Financial Reporting***

We have audited the accompanying consolidated balance sheets of PagSeguro Digital Ltd. and its subsidiaries (the "Company") as of December 31, 2025 and 2024, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the three years in the period ended December 31, 2025, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2025, 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

### ***Basis for Opinions***

The Company's management is responsible for these consolidated financial statements, 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 Annual Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (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 audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.



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Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### ***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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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.

### ***Critical Audit Matters***

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated 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.

#### *Revenue recognition*



PagSeguro Digital Ltd

As described in Note 2.18 to the consolidated financial statements, revenue comprises mainly fees charged for the electronic intermediation of the purchases made through the Company's electronic platform, and financial income mostly related to early payments made to merchants. Revenues from the intermediation transactions are recognized when the purchase transaction is approved by the financial institutions (card issuers) and the Company's performance obligation related to the electronic validation of the transaction is completed, while financial income is recognized when the payment to the merchant is anticipated. The Company recorded during the year ended December 31, 2025 as "revenue from transaction activities and other services", substantially related to electronic intermediation fees, and "financial income", mostly related to early payments to merchants, in the gross amounts of R\$ 9,419,128 thousand and R\$ 11,888,127 thousand, respectively, as described in Note 26 to the consolidated financial statements.

The principal considerations for our determination that performing procedures relating to revenue recognition is a critical audit matter are (i) the complex information technology environment used to process a high volume of transactions with individually low amounts, resulting in a significant volume of data being extracted from the systems of the Company which needs to be reconciled with general ledger before being used for the audit procedures purpose and (ii) effort in performing audit procedures and in evaluating audit evidence considering the high volume and nature of data.

Our approach to addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included understanding and testing the effectiveness of controls relating to revenue recognition process. The procedures also included, among others, (1) reconciliation of the data extracted from the systems with the general ledger, (2) performing audit procedures over the information technology general controls of the Company's systems, (3) test the mathematical accuracy of the revenue recognized as a percentage of the transactions selected, also testing if the percentages applied for these transactions were in accordance with the applicable agreements, (4) performing, on a sample basis, cash collection inspection for the transactions selected and (5) evaluating the sufficiency of the Company's disclosures.

#### *Measurement of expected credit losses for loans and credit card receivables*

As described in Notes 2.7, 3.2 and 10 to the consolidated financial statements, management measures the expected credit losses at the probability-weighted estimate of credit losses, which involves management's judgment, as set forth in IFRS 9 - "Financial Instruments". As of December 31, 2025, the expected credit losses on (i) loans and (ii) credit card receivables were R\$ 143,314 thousand and R\$ 136,805 thousand, respectively. The balance of (i) loans and (ii) credit card receivables as of December 31, 2025 was R\$ 387,036 thousand and R\$ 908,892 thousand, respectively. Management calculates Expected Credit Losses (ECL) using collective models, Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The ECL measurement is based on management's estimate of present value expected to be received, which uses assumptions as the historical loss experience, credit quality and guarantees, economic factors and estimated future cash flows. In this assessment, management has considered forward-looking information, changes in macroeconomic scenarios, impacting the calculation model for provisioning expected credit losses.



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The principal considerations for our determination that performing procedures relating to the measurement of expected credit losses is a critical audit matter are (i) there was significant judgment used by management in determining the expected credit losses, considering the severity of past due loans and credit card receivables during the current year and also the significant assumptions used in determining the PD, EAD and LGD, which in turn led to a high degree of auditor judgment, subjectivity and effort in performing procedures and in evaluating audit evidence obtained relating to these significant assumptions; and (ii) the audit effort involved the use of professionals with specialized skill and knowledge to assist in evaluating those significant assumptions.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included understanding and testing the effectiveness of controls relating to management's measurement of expected credit losses, which included controls over the assumptions used. These procedures also included, among others: (i) the involvement of professionals with specialized skill and knowledge to assist in testing management's process for determining the expected credit losses, including evaluating the appropriateness of the methodology and models, testing the accuracy and completeness of data used, and evaluating the reasonableness of significant assumptions; (ii) the analysis of management's accounting policies in comparison with IFRS 9 - Financial Instruments; and (iii) evaluating the sufficiency of the Company's disclosures.

/s/ PricewaterhouseCoopers Auditores Independentes Ltda.  
São Paulo, Brazil  
March 2, 2026

We have served as the Company's auditor since 2020.

## PagSeguro Digital Ltd.

### Consolidated financial statements

As of December 31, 2025

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## PagSeguro Digital Ltd.

Consolidated balance sheet  
(All amounts in thousands of reais)

	<u>Note</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	1,857,507	927,668
Financial investments	7	590,014	487,924
Compulsory reserve	8	4,271,581	4,761,404
Accounts receivable	9	55,563,067	56,167,315
Credit portfolio	10	2,039,215	1,461,223
Receivables from related parties	12	10,102	9,082
Derivative financial instruments	30	4,924	58,470
Inventories		-	1,642
Recoverable taxes	11	366,105	551,722
Other receivables		230,538	194,465
<b>Total current assets</b>		<b>64,933,053</b>	<b>64,620,915</b>
<b>Non-current assets</b>			
Accounts receivable	9	498,357	483,165
Credit portfolio	10	2,167,152	1,691,570
Receivables from related parties	12	15,800	22,767
Recoverable taxes	11	745,555	318,197
Judicial deposits		116,220	79,591
Deferred income tax and social contribution	23	86,979	95,872
Other receivables		134,927	89,902
Property and equipment	13	2,539,077	2,572,336
Intangible assets	14	3,172,403	2,926,302
<b>Total non-current assets</b>		<b>9,476,470</b>	<b>8,279,702</b>
<b>Total assets</b>		<b>74,409,523</b>	<b>72,900,617</b>

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

## PagSeguro Digital Ltd.

Consolidated balance sheet  
(All amounts in thousands of reais)

	Note	December 31, 2025	December 31, 2024
<b>Liabilities and equity</b>			
<b>Current liabilities</b>			
Payables to third parties	15	10,837,816	11,557,648
Checking accounts	17	12,243,699	12,030,573
Obligations to FIDC quota holders	16	1,171,463	134,375
Banking issuances	18	18,947,864	12,677,098
Borrowings	22	2,436,846	4,521,503
Derivative financial instruments	30	123,951	69,969
Trade payables		606,743	663,229
Dividends payables	24	184,686	-
Payables to related parties	12	321,282	116,383
Salaries and social security charges	19	383,530	402,643
Taxes and contributions	20	297,952	280,762
Provision for contingencies	21	87,291	43,820
Deferred revenue	2.18	97,727	128,849
Other liabilities		42,202	117,630
<b>Total current liabilities</b>		<b>47,783,052</b>	<b>42,744,482</b>
<b>Non-current liabilities</b>			
Payables to third parties	15	55,931	84,570
Obligations to FIDC quota holders	16	-	1,017,009
Banking issuances	18	9,480,130	11,412,136
Payables to related parties	12	459,116	1,014,863
Deferred income tax and social contribution	23	1,793,638	1,790,362
Provision for contingencies	21	121,342	71,140
Deferred revenue	2.18	12,253	16,579
Other liabilities		64,491	81,104
<b>Total non-current liabilities</b>		<b>11,986,901</b>	<b>15,487,763</b>
<b>Total liabilities</b>		<b>59,769,953</b>	<b>58,232,245</b>
<b>Equity</b>			
Share capital	24	26	26
Treasury shares	24	(1,329,377)	(1,367,677)
Capital reserve	24	4,875,111	6,133,863
Retained earnings	24	11,324,060	10,007,444
Equity valuation adjustments	24	(22,372)	(22,372)
Other comprehensive income	24	(207,878)	(82,912)
<b>Total equity</b>		<b>14,639,570</b>	<b>14,668,372</b>
<b>Total liabilities and equity</b>		<b>74,409,523</b>	<b>72,900,617</b>

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

## PagSeguro Digital Ltd.

Consolidated statements of income  
(All amounts in thousands of reais unless otherwise stated)

	Note	For the year ended December 31,		
		2025	2024	2023
Revenue from transaction activities and other services	26	<b>8,158,654</b>	9,183,282	9,027,242
Financial income	26	<b>11,584,606</b>	9,150,427	6,653,046
Other financial income	26	<b>667,252</b>	475,923	268,113
Total revenue and income		<b>20,410,512</b>	18,809,632	15,948,401
Cost of services	27	<b>(9,696,094)</b>	(9,543,315)	(8,132,580)
Selling expenses	27	<b>(1,644,852)</b>	(1,749,310)	(1,320,508)
Credit loss allowance expenses	27	<b>(129,293)</b>	(110,280)	(109,308)
Administrative expenses	27	<b>(860,966)</b>	(972,251)	(732,689)
Financial costs	27	<b>(5,228,792)</b>	(3,746,688)	(3,269,556)
Other income (expenses), net	27	<b>(301,091)</b>	(307,859)	(366,653)
Profit before income taxes		<b>2,549,424</b>	2,379,929	2,017,107
Current income tax and social contribution	23	<b>(354,272)</b>	(261,211)	(101,846)
Deferred income tax and social contribution	23	<b>(76,790)</b>	(2,350)	(261,577)
Income tax and social contribution		<b>(431,062)</b>	(263,561)	(363,423)
Net income for the year		<b>2,118,362</b>	2,116,368	1,653,684
Basic earnings per common share - R\$	25	<b>7.1761</b>	6.6953	5.1387
Diluted earnings per common share - R\$	25	<b>7.1118</b>	6.6238	5.1047

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

## PagSeguro Digital Ltd.

Consolidated statements of comprehensive income  
(All amounts in thousands of reais unless otherwise stated)

	<b>For the year ended December 31,</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
Net income for the year	<b>2,118,362</b>	2,116,368	1,653,684
Other comprehensive income that may be reclassified to the statement of income in subsequent periods			
Currency translation adjustment	24 <b>117</b>	767	56
Loss on financial assets designated at fair value through OCI	24 <b>(182,567)</b>	(129,503)	(845)
Gain (loss) on cash flow hedge through OCI	24 <b>(6,952)</b>	3,434	253
Income tax and social contribution	<b>64,436</b>	42,863	201
Comprehensive income for the year	<b>1,993,396</b>	2,033,929	1,653,349

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

## PagSeguro Digital Ltd.

### Consolidated statement of changes in equity (All amounts in thousands of reais)

	Note	Share capital	Treasury shares	Capital reserve		Profit reserve	Equity valuation adjustments	Other comprehensive income	Total equity
				Capital reserve	Share-based long-term incentive plan (LTIP)	Retained earnings			
<b>On December 31, 2022</b>		<b>26</b>	<b>(475,353)</b>	<b>5,828,754</b>	<b>273,818</b>	<b>6,237,392</b>	<b>(22,372)</b>	<b>(138)</b>	<b>11,842,126</b>
Net income for the year		-	-	-	-	1,653,683	-	-	1,653,683
Currency translation adjustment		-	-	-	-	-	-	56	56
Loss on financial assets through OCI		-	-	-	-	-	-	(558)	(558)
Gain on cash flow hedge through OCI		-	-	-	-	-	-	167	167
Share based long term incentive plan (LTIP)		-	-	-	144,617	-	-	-	144,617
Acquisition of treasury shares		-	(399,408)	-	-	-	-	-	(399,408)
(LTIP) of treasury shares		-	114,444	-	(114,444)	-	-	-	-
<b>On December 31, 2023</b>		<b>26</b>	<b>(760,317)</b>	<b>5,828,754</b>	<b>303,991</b>	<b>7,891,076</b>	<b>(22,372)</b>	<b>(473)</b>	<b>13,240,685</b>
Net income for the year	24	-	-	-	-	2,116,368	-	-	2,116,368
Currency translation adjustment	24	-	-	-	-	-	-	767	767
Loss on financial assets through OCI	24	-	-	-	-	-	-	(85,472)	(85,472)
Gain on cash flow hedge through OCI	24	-	-	-	-	-	-	2,266	2,266
Capital reserve	24	-	-	(475)	-	-	-	-	(475)
Share based long term incentive plan (LTIP)	24	-	-	-	178,692	-	-	-	178,692
Acquisition of treasury shares	24	-	(784,459)	-	-	-	-	-	(784,459)
(LTIP) of treasury shares	24	-	177,099	-	(177,099)	-	-	-	-
<b>On December 31, 2024</b>		<b>26</b>	<b>(1,367,677)</b>	<b>5,828,279</b>	<b>305,584</b>	<b>10,007,444</b>	<b>(22,372)</b>	<b>(82,913)</b>	<b>14,668,372</b>
Net income for the year	24	-	-	-	-	2,118,362	-	-	2,118,362
Currency translation adjustment	24	-	-	-	-	-	-	117	117
Loss on financial assets through OCI	24	-	-	-	-	-	-	(120,494)	(120,494)
Loss on cash flow hedge through OCI	24	-	-	-	-	-	-	(4,588)	(4,588)
Capital reserve	24	-	-	(2,368)	-	-	-	-	(2,368)
Dividends distributed	24	-	-	-	-	(801,746)	-	-	(801,746)
Share based long term incentive plan (LTIP)	24	-	-	-	112,098	-	-	-	112,098
Acquisition of treasury shares	24	-	(1,330,183)	-	-	-	-	-	(1,330,183)
Share cancellation	24	-	1,208,680	(1,208,680)	-	-	-	-	-
(LTIP) of treasury shares	24	-	159,803	-	(159,803)	-	-	-	-
<b>On December 31, 2025</b>		<b>26</b>	<b>(1,329,377)</b>	<b>4,617,231</b>	<b>257,879</b>	<b>11,324,060</b>	<b>(22,372)</b>	<b>(207,878)</b>	<b>14,639,570</b>

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

## PagSeguro Digital Ltd,

### Consolidated statement of cash flows (All amounts in thousands of reais)

	Note	For the year ended December 31,		
		2025	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income taxes		2,549,424	2,379,929	2,017,107
<b>Expenses (revenues) not affecting cash:</b>				
Depreciation and amortization	27	1,807,514	1,600,932	1,355,653
Chargeback	27	251,645	345,799	426,740
Credit loss allowance expenses	27	129,293	110,280	109,308
Accrual of provision for contingencies, net		141,660	45,707	59,197
Share based long term incentive plan (LTIP)	24	112,098	178,692	144,617
Loss on disposal of property, equipment, intangible, inventories and investment assets	13/14	182,679	207,506	295,989
Loss (gain) on non-realized derivative financial instruments, net		(20,551)	52,802	1,025
Interest income and expense accrued, net		2,158,902	1,072,588	585,868
Other (income) cost, net		(942)	1,234	(1,750)
<b>Changes in operating assets and liabilities</b>				
Accounts receivable		(5,054,564)	(20,099,278)	(10,213,932)
Credit portfolio		(1,159,745)	(1,319,719)	(317,563)
Compulsory reserves		1,056,353	(1,947,170)	(1,274,173)
Inventories		-	5,225	(20,256)
Recoverable taxes		(81,161)	(167,291)	(59,927)
Other receivables		(112,242)	(101,614)	(9,850)
Deferred revenue		(35,449)	(756)	2,123
Other liabilities		(77,858)	58,356	8,352
Payables to third parties		(711,175)	1,488,877	962,405
Checking accounts		(630,604)	343,095	2,468,088
Obligations to FIDC quota holders		(50,608)	1,000,000	-
Trade payables		(53,904)	148,601	63,498
Receivables from (payables to) related parties		(344,901)	583,486	(191,812)
Banking issuances		4,561,834	9,017,299	4,945,183
Salaries and social security charges		(19,113)	57,396	51,457
Taxes and contributions		(165,610)	(95,394)	127,276
Provision for contingencies	21	(54,775)	(35,291)	(28,652)
		<b>4,378,200</b>	<b>(5,068,709)</b>	<b>1,505,971</b>
Income tax and social contribution paid		(187,905)	(157,340)	(82,633)
Interest income received (paid), net		3,372,134	1,809,756	2,576,415
<b>NET CASH PROVIDED (USED IN) BY OPERATING ACTIVITIES</b>		<b>7,562,429</b>	<b>(3,416,293)</b>	<b>3,999,753</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Amount paid on acquisitions, net of cash acquired		-	-	(31,313)
Purchases of property and equipment	13	(1,040,040)	(1,131,878)	(951,558)
Purchases and development of intangible assets	14	(1,236,820)	(1,188,763)	(1,036,806)
Redemption (acquisition) of financial investments		(22,936)	490,552	(684,120)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(2,299,796)</b>	<b>(1,830,089)</b>	<b>(2,703,797)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Additions from borrowings	22	6,198,654	8,883,160	300,000
Payment of borrowings	22	(8,504,049)	(4,785,598)	(109,613)
Acquisition of treasury shares	24	(1,330,183)	(784,459)	(399,408)
Payment of leases	13	(19,621)	(18,590)	(16,972)
Derivative financial instruments, net		(60,542)	(19,523)	-
Distribution of dividends	24	(617,055)	-	-
<b>NET CASH PROVIDED (USED IN) BY FINANCING ACTIVITIES</b>		<b>(4,332,796)</b>	<b>3,274,990</b>	<b>(225,993)</b>
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>929,840</b>	<b>(1,971,392)</b>	<b>1,069,963</b>
Cash and cash equivalents at the beginning of the year	6	927,668	2,899,060	1,829,097
Cash and cash equivalents at the end of the year	6	1,857,507	927,668	2,899,060

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

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 1. General information

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PagSeguro Digital Ltd. (“PagSeguro Digital” or the “Company”) is a holding company with its principal executive office located in Cayman Islands and was incorporated on July 19, 2017. The Company is a subsidiary of Universo Online S.A. (“UOL”), together with its subsidiaries, is referred to as the “PagSeguro Group”, “Pagbank or the “Group”. A total of 99.99% of the shares of PagSeguro Internet Instituição de Pagamento S.A. (“PagSeguro Brazil”) were contributed to PagSeguro Group in 2006.

PagSeguro Brazil is a privately held corporation established on December 20, 2006, and engages in providing financial technology solutions and services and corresponding related activities, focused principally on micro-merchants and small and medium-sized businesses (“SMBs”).

In June 2024, PagSeguro Digital acquired 5% of Fundo de Investimento em Direitos Creditórios – PagSeguro (“FIDC”) shares from its subsidiary PagSeguro Brazil, which together with the 15% of FIDC shares previously acquired resulted in PagSeguro Digital owning 20% of the share capital of the fund.

On June 28, 2024, PagSeguro Group constituted an investment fund as a subsidiary of PagSeguro Brazil called Fundo de Investimento em Direitos Creditórios – Pagbank Multiadquirencia (“FIDM”). The objective of this fund is to anticipate third-party assignments in accordance with market operations.

In January and February, 2025, the subsidiaries Yamí and Zygo were incorporated by Pag Participações Ltda. (“Pag Participações”).

In April, 2025, PagSeguro Group constituted a new company as a subsidiary of PagSeguro Holding Ltd. (“PSHC”) called PSGP México Aggregator S. de R.L. de C.V (“PBMX México”) which is still pre-operational.

The subsidiaries of PagSeguro Digital are PagSeg Participações Ltda. (“PagSeg”), BS Holding Financeira Ltda (“BS Holding”), Pag Participações and PSHC. The PagSeguro Group subsidiaries are as follows:

- BS Holding subsidiaries are PagSeguro Brazil, BancoSeguro S.A. (“BancoSeguro”) and PagInvest CTVM Ltda. (“PagInvest”).
- PagSeguro Brazil subsidiaries are PagSeguro Biva Securitizadora de Créditos Financeiras S.A. (“Biva Sec”), FIDC, Wirecard Brazil Ltda. (“MOIP), Concil Inteligência em Conciliação S.A. (“Concil”), NETPOS Serviços de Informática LTDA (“NetPos”) and FIDM.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **1. General information (continued)**

- PagSeg subsidiaries are Net+Phone Telecomunicações Ltda. (“Net+Phone”), PagSeguro Tecnologia Ltda. (“PagSeguro Tecnologia”), BCPS Online Services Ltda. (“BCPS”), CDS Serviços Financeiros Ltda, (“CDS”), PagSeguro Biva Serviços Financeiros Ltda. (“Biva Serviços”) and PagBank Participações Ltda. (“Pag Participações”).
- Pag Participações subsidiary is Tilix Digital Ltda. (“TILIX”).
- PSHC subsidiaries are PagSeguro Chile SPA (“PagSeguro Chile), PagSeguro Colombia S.A.S (“PagSeguro Colombia), PSGP México S.A de C.V. (“PSGP Mexico”) and PagSeguro Peru S.A.C. (“PagSeguro Peru”) and PBMX México.

These consolidated financial statements include BS Holding, PagSeguro Brazil, PagSeg, Pag Participações, PSHC and corresponding subsidiaries.

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies**

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### **2.1. Basis of preparation of the consolidated financial information**

These consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and disclose all (and only) the applicable material information related to the financial statements, which is consistent with the information utilized by management in the performance of its duties. The consolidated financial statements are presented in thousands of Brazilian reais, unless otherwise indicated, which is the functional currency of PagSeguro Group.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying PagSeguro Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

These consolidated financial statements as of December 31, 2025 and 2024 and for the three years ended December 31, 2025, were authorized for issuance by PagSeguro Digital’s Board of Directors on February 26, 2026.

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

The accounting policies and critical accounting estimates and judgments adopted are consistent with those of the previous financial year and corresponding reporting period, except for the adoption of new and amended IFRS Accounting Standards as set out below.

### **2.2. Basis of consolidation**

PagSeguro Group consolidates all entities over which it has control. Control is achieved when PagSeguro Group is exposed or has rights to variable returns with its involvement with the investee and can affect those returns through its power over the investee's relevant activities.

Subsidiaries are all entities over which PagSeguro Digital has control. Subsidiaries are fully consolidated from the date PagSeguro Group obtains control of the subsidiary and ceases when PagSeguro Group loses control of the subsidiary. The subsidiaries included in the consolidation are described in Note 4.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

### **2.3. Foreign currencies**

#### **i) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

#### **ii) Group companies**

On consolidation, the assets and liabilities of foreign operations are translated into Reais at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions.

The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)

### 2.4. Cash and cash equivalents

Cash and cash equivalents are held for the purpose of meeting short-term cash needs and not for investment or any other purposes. PagSeguro Group classifies as cash equivalents a financial investment that can be immediately converted into a known amount of cash and is subject to immaterial risk of change in value. PagSeguro Group classifies financial instruments with original maturities of three months or less as cash equivalents.

### 2.5. Financial instruments - initial recognition and subsequent measurement

#### i) Financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss. The classification depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value less, in the case of a financial asset not at fair value through profit or loss, transaction costs.

For a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling (such as the financial investment disclosed on Note 7).

Financial assets include cash and cash equivalents, financial investments, compulsory reserves, accounts receivables, credit portfolio, receivables from related parties, judicial deposits and other receivables.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)

### Subsequent measurement

The subsequent measurement of financial assets depends on their classification, which may be (i) financial assets at amortized cost; (ii) financial assets at fair value through profit or loss and (iii) financial assets at fair value through OCI.

### Financial assets at amortized cost

Financial assets at amortized cost relating to debt instruments are subsequently measured using the effective interest method and are subject to impairment. Financial assets at amortized cost relating to equity instruments are measured at cost of acquisition. Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired.

The Group's financial assets at amortized cost include cash and cash equivalents, financial investments (financial letters), compulsory reserves, accounts receivables, credit portfolio, judicial deposits, receivables from related parties, and other receivables.

### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are presented at fair value in the balance sheet, with the corresponding gains or losses recognized in the statement of income. The Group's financial assets at fair value through profit or loss include derivative financial instruments.

### Financial assets at fair value through OCI

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon derecognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group's debt instruments at fair value through OCI includes investments in Brazilian Treasury Bonds ("LFTs") as disclosed in Note 7, 8 and Accounts Receivable in Note 9. The Group has identified certain receivables from Card Issuers and Acquirers which are managed separately. The Group assessed that the appropriate business model of some card issuers and acquirers originated after September of 2024 which is held by the Group as part of liquidity management is held to collect and sell and measured at fair value through other comprehensive income (FVOCI).

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. The Group does not hold any financial asset within this category.

### Derecognition

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets, is derecognized when:

- The rights to receive cash flows from the asset expire; or
- PagSeguro Group transfers its rights to receive cash flows from the asset or assumes an obligation to pay the received cash flows in full to a third party under a "pass-through" arrangement; and (a) transfers virtually all the risks and benefits of the asset, or (b) neither transfers nor retains virtually all the risks and benefits of the asset, but transfers control of the asset.

When PagSeguro Group has transferred its rights to receive cash flows from an asset and has not transferred or retained substantially all the risks and benefits of the asset, this asset is recognized to the extent of PagSeguro Group's continuing involvement in the asset. In such case, PagSeguro Group also recognizes an associated liability.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that PagSeguro Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of the consideration that PagSeguro Group may be required to repay.

### ii) Impairment of financial assets

PagSeguro Group assesses at the balance sheet date, if there is significantly increase on credit risk of financial instruments since initial recognition that a financial asset or a group of financial assets is impaired. The Group recognizes an allowance for expected credit losses ("ECLs") for all debt instruments at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)

ECLs are recognized in three stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group applies a credit risk policy taking into consideration the possibility of default by: (a) the card issuers, which have the obligation of transferring to the credit and debit card labels the fees charged for the transactions carried out by their card holders, and/or (b) the acquirers, which are used by the PagSeguro Group to approve transactions with the issuers. To mitigate this risk, the PagSeguro Group has established a Credit and Liquidity Risk Committee, whose responsibility is to assess the level of risk of each of the card issuers served by PagSeguro Group, as discussed in Note 29.

For debt instruments at fair value through OCI, the Group applies at every reporting date, the Group evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the internal credit rating of the debt instrument. The Group's debt instruments at fair value through OCI comprise investments in Brazilian Treasury Bonds and Accounts receivable, considered to be low credit risk investments.

### iii) Financial liabilities

#### Initial recognition and measurement

Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss, or amortized cost. PagSeguro Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities include payables to third parties, checking accounts, borrowings, dividends payables, obligations to FIDC quota holders, banking issuances, payables to related parties, trade payables and other payables.

#### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification, which may be as follows:

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include held-for-trading financial liabilities and financial liabilities designated at fair value through profit or loss at initial recognition. Financial liabilities and corresponding specific derivative entered with the objective of protecting against fair value exposure risk are also designated at cash flow hedge and fair value hedge.

Financial liabilities are classified as held-for-trading if acquired for sale in the short term. This category includes derivative financial instruments which do not meet the hedge accounting criteria defined by IFRS 9 - Financial Instruments.

Gains and losses on held-for-trading liabilities are recognized in the statement of income.

### Financial liabilities at amortized cost

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost, using the effective interest rate method, and are recognized in the statement of income.

Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in "Financial costs" in the statement of income.

### Derecognition

A financial liability is derecognized when the obligation is discharged, canceled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of income.

#### iv) Financial instruments - offsetting

Financial assets and liabilities are presented net in the balance sheet if, and only if, there is an existing and enforceable legal right to offset the amounts recognized and an intention to offset or to realize the asset and settle the liability simultaneously.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)**

### v) Fair value of financial instruments

The fair value of financial instruments actively traded in organized markets is determined based on quoted market prices at the balance sheet date, without a deduction of transaction costs.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These techniques include the use of recent arm's length transactions, reference to other similar instruments, discounted cash flow analysis or other valuation methods.

### vi) Current versus non-current classification

The PagSeguro Group presents financial assets and liabilities in the balance sheet based on current and non-current classification. An asset is current when it is: (i) expected to be realized or intended to be sold or consumed in the normal operating cycle; (ii) held primarily for the purpose of trading; (iii) expected to be realized within twelve months after the reporting period; or (iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: (i) it is expected to be settled in the normal operating cycle; (ii) it is held primarily for the purpose of trading; (iii) it is due to be settled within twelve months after the reporting period; or (iv) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

### vii) Derivative Financial Instruments

Derivatives are initially recognized at fair value on the date a derivative contract is entered, and they are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedge accounting and, if so, the nature of the item being hedged. The Group applies hedge accounting and designates certain derivatives as:

- Fair value hedge of recognized assets or liabilities or of a firm commitment (fair value hedge);
- Hedge of a specific risk associated with a recognized asset or liability or a highly probable forecast transaction (cash flow hedge); or

The fair values of the various derivative instruments used for hedging purposes are disclosed in Note 30.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

### (a) Fair value hedge

Changes in the fair value of derivatives designated and qualifying as fair value hedges are recognized in the statement of profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The Group applies fair value hedge accounting solely to hedge the fixed interest rate risk of payroll loans from credit portfolio and banking issuances.

Gains or losses related to the effective portion of interest rate swaps hedging fixed-rate payroll loans and banking issuances are recognized in the statement of profit or loss as “financial costs.” Gains or losses related to the ineffective portion are recognized in the statement of profit or loss as “financial costs”. Changes in the fair value of hedged fixed-rate payroll loans and banking issuances attributable to interest rate risk are recognized in the statement of profit or loss as “financial costs.”

If a hedge no longer meets the hedge accounting criteria, the adjustment to the carrying amount of a hedged item for which the effective interest rate method is applied is amortized to profit or loss over the period until maturity.

### (b) Cash flow hedge

The effective portion of changes in the fair value of derivatives designated and qualifying as cash flow hedges is recognized in equity under “Equity valuation adjustments.” Gains or losses related to the ineffective portion are immediately recognized in the statement of profit or loss as “financial costs”.

The effective portion of changes in the fair value of derivatives designated and qualifying as cash flow hedges is recognized in the cash flow hedge reserve within equity. Gains or losses related to the ineffective portion are immediately recognized in profit or loss within “financial costs”.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in the fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses related to the effective portion of changes in the spot component of forward contracts are recognized in equity as a cash flow hedge reserve. The change in the forward component of the contract related to the hedged item is recognized in equity, in other comprehensive income, as costs of the hedge reserve. In certain cases, the Group may designate the entire change in the fair value of the forward contract (including forward points) as the hedging instrument. In such cases, gains or losses related to the effective portion of changes in the fair value of the entire forward contract are recognized in equity as a cash flow hedge reserve.

Amounts accumulated in equity are reclassified in the periods in which the hedged item affects profit or loss, as follows.

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

When the hedged item results in the recognition of a non-financial asset (for example, property and equipment), the deferred hedge gains and losses and the deferred time value of forward points, if any, are included in the initial cost of the asset. The deferred amounts are ultimately recognized in profit or loss when the hedged item affects profit or losses (for example, through cost of sales).

Gains or losses related to the effective portion of interest rate swaps hedging variable-rate borrowings are recognized in the statement of profit or loss as finance expenses at the same time as interest expenses on the hedged borrowings.

When a hedging instrument expires, is sold, or is terminated, or when a hedge no longer meets the hedge accounting criteria, any cumulative deferred gain or loss and deferred hedge costs existing in equity at that time remain in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset, such as property and equipment. When it is no longer expected that a forecast transaction will occur, the cumulative gain or loss and deferred hedge costs previously recognized in equity are immediately reclassified to profit or loss.

### **(c) Hedge ineffectiveness**

Hedge ineffectiveness is determined at the inception of the hedging relationship and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument.

In the case of hedges of foreign currency purchases, the Group enters into hedging transactions when the critical terms of the hedging instrument exactly match the critical terms of the hedged item.

Accordingly, the Group performs a qualitative effectiveness assessment. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer exactly match those of the hedging instrument, the Group applies the hypothetical derivative method to assess effectiveness.

In hedges of foreign currency purchases, ineffectiveness may arise if the timing of the forecast transaction changes relative to the originally estimated period, or if there are changes in credit risk or in the derivative counterparty.

The Group enters into interest rate swaps with critical terms similar to those of the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amounts. The Group does not hedge 100% of its borrowings and, therefore, the hedged item is identified as a proportion of the outstanding borrowings up to the notional amount of the swaps. As all critical terms matched throughout the year, the economic relationship was 100% effective.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

Hedge ineffectiveness of interest rate swaps is assessed using the same principles applied to hedges of foreign currency purchases. It may arise due to:

- credit value adjustment / debit value adjustment on interest rate swaps that is not matched by the borrowing; and
- differences in critical terms between the interest rate swaps and the borrowings.

(d) Derivatives measured at fair value through profit or loss

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any such derivative instruments are recognized immediately in the statement of profit or loss as “financial costs”.

### **2.6. Accounts receivables**

Accounts receivables include mainly the receivables from credit/debit card issuers and acquirers originated from transactions through PagSeguro Group payment platform. If the term is equivalent to one year or less, accounts receivables is classified as current assets, if not, as non-current assets.

For debit and credit cards receivables from the clients, since they are comprised of transactions approved by large financial institutions that have a low overall risk level based on ratings received from major credit rating agencies, the PagSeguro Group assess its expected credit risk as low. This assessment is constantly updated considering other external factors, such as credit ratings assigned by FITCH, S&P and Moody's.

PagSeguro Group incurs financial expenses when an election to receive early payment of accounts receivables from financial institutions is made. This financial expense is recognized at the time the financial institution agrees to liquidate the accounts receivable due in installments on a prepaid basis, and it is recorded as Financial costs in the statement of income.

### **2.7. Credit portfolio**

Credit portfolio include loans, credit card receivables, payroll loans and other credit operations originated in the PagSeguro Group digital platform.

For the credit portfolio, the methodology for determining the allowance for impairment loss is periodically reviewed, and calculated based on the multiplication of the following factors:

- Probability of Default (PD): probability of the counterparty not meeting its contractual payment obligations;
- Exposure at Default (EAD): amount exposed to credit risk at default; and
- Loss Given Default (LGD): percentage of the exposure that is not expected to be recovered in the event of default.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

Pagseguro Group uses a credit risk rating model that assesses the risk of insolvency and default of counterparties, the methodologies and rules of which are defined in internal rules and policies. The main purpose of this credit risk rating model is to rate the likelihood of a customer to default, called Probability of Default (PD), by using objective factors that combine the economic and financial information on the customer and its economic group with the accessory guarantees offered for the operations: significant financial difficulty of the issuer or debtor; high probability of bankruptcy or composition with creditors or financial reorganization; breach of contract, such as a default or arrears in interest or principal payments; debt renegotiation; and the disappearance of an active market.

The PD is set for each business segment established by PagSeguro, which segregation is mainly based on customer size, so that customers with similar behavior and PD are grouped.

The weighting of objective factors plus the analysis of the coverage percentage of accessory guarantees leads to the customer rating this allows the grouping of customers with similar credit risks and classification into one of the following stages:

- Stage 1: comprises the credit portfolio that have not shown significant increase in credit risk since initial recognition, or that showed a low credit risk at the reporting date of the financial statement. It requires the recognition of an allowance related to the expected credit losses resulting from default events that are possible within 12 months after the reporting date (12-month expected credit losses).
- Stage 2: comprises the credit portfolio that have shown significant increase in credit risk since initial recognition, but that did not show probability of the counterparty not meeting its contractual payment obligations. It requires the recognition of an allowance at the amount of the expected credit losses considering default events that are possible over the expected lifetime of the transaction.
- Stage 3: comprises the credit portfolio that show probability of the counterparty not meeting its contractual payment obligations. It requires the recognition of an allowance at the amount of the expected credit losses considering default events that are possible over the expected lifetime of the transaction.

In addition to the above-described internal policies and rules, used for calculating the necessary allowance requirements, the recognition of the allowance for impairment also takes into consideration prospective information and scenarios established by Pagseguro, as follows: change in macroeconomic scenarios which impact in the calculation mode, such as, unemployment rate, Gross Domestic Product (GDP), score to credit cards, inflation rate, debt rate and score to loans. Macroeconomic scenarios also involve inherent risks, market uncertainties and other factors that may give rise to results different from those expected.

Finally, in addition to the methodology for calculating the allowance for impairment (EAD x PD x LGD), Pagseguro takes into consideration any other factor that may not be reached by such methodology, applying such factor to the individual transaction level. In this assessment, management has considered forward looking information and assumptions as the historical

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)

loss experience, credit quality and guarantees, economic factors and estimated future cash flows, which could impact the calculation model for provisioning expected credit losses.

An asset or group of financial assets is impaired and impairment loss is incurred if: there is probability of the counterparty not meeting its contractual payment obligations as a result of one or more events that occurred after the initial recognition of the asset (a "loss event"); such loss event (or events) effectively impact the estimated future cash flows of the operation; and the loss can be reliably estimated.

If, in a subsequent period, the amount of the loss decreases and is objectively related to an event occurring after the loss recognition (such as an upgrade in the debtor's credit rating), the previously recognized loss is reversed by adjusting the allowance.

### 2.8. Inventories

Inventories consist of POS devices. Inventories are stated at historical cost. The Company used the average cost method to account for inventories' cost and corresponding provision for losses is recognized when the POS devices become obsolete.

### 2.9. Property and equipment

Property and equipment is stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditures that are directly attributable to the acquisition of the items and may also include finance costs related to the acquisition of qualifying assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with these costs will flow to PagSeguro Group and that such benefits can be reliably measured.

The carrying amount of replaced items or parts is derecognized. All other repairs and maintenance expenses are charged to the statement of income during the year in which they are incurred.

The asset's residual values and useful lives are reviewed at the end of each reporting period, and adjusted on a prospective basis, if appropriate. Depreciation is calculated using the straight-line method, based on the estimated useful lives, as shown below:

Data processing equipment (includes POS devices)	2.5 to 5 years
Building leasings	5 to 10 years
Machinery and equipment	5 to 10 years
Other assets	5 to 10 years

During 2025, the Company reviewed the estimated useful lives of these assets and no significant change was identified.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

An item of property and equipment is derecognized upon disposal or when future economic benefits are expected from its use or disposal. Any gain or loss on disposal (calculated as the difference between the net disposal proceeds with the carrying amount of the asset) is recognized within "Other (expenses) income, net" in the statement of income when an asset is derecognized.

An asset's carrying amount is immediately written down to its recoverable amount when the asset's carrying amount is greater than its estimated recoverable amount. See note 2.11.

### **2.10. Intangible assets**

Software licenses are recorded at historical cost. Software licenses are amortized on the straight-line basis over the estimated useful life of the software which is approximately five years.

Costs associated with maintaining computer software programs are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by PagSeguro Group are recognized as intangible assets.

Directly attributable costs relating to internal development of software are capitalized as part of the software product, which mainly includes costs incurred with employees and third-party contracted services.

Other development expenditures that do not meet the capitalization criteria are expensed as incurred. Development costs previously recorded as an expense are not recognized as an asset in a subsequent period and are included in the income statement.

Capitalized computer software development costs are amortized over their estimated useful lives which are reviewed at the end of each reporting period, and adjusted on a prospective basis, if appropriate.

### **2.11. Impairment of non-financial assets**

The PagSeguro Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the PagSeguro Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

**2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

In assessing value in use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on most recent budgets and forecast calculations. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Goodwill is impaired when the recoverable amount of the CGU is less than it is carrying amount, an impairment loss is recognized.

**2.12. Payables to third parties**

PagSeguro Group recognizes a liability from transactions of sales and services that will be settle according by merchant's.

The payables to third parties from installment transactions are estimated based on the fair value, in accordance with the terms of these transactions.

**2.13. Checking Accounts**

Checking accounts refer to amounts due to merchants that use PagSeguro Brazil platform and balance from clients. PagSeguro Group recognizes a liability that will be made available to the merchant and clients on its PagSeguro account. The Group keep the amount in Certificate of Deposits and the difference between initial and final amount is treated as interest due after 30 days of recognition.

**2.14. Obligations to FIDC quota holders**

Obligations to FIDC quota holders refers to amount of the senior quotas of the FIDC were issued to third parties investors. The PagSeguro Group recognizes a liability relating to contributions from third parties investors and the difference between initial and final amount is treated as interest.

**2.15. Banking issuances**

The PagSeguro Group has sell-buy back transactions. Such repurchase agreements are recorded in term deposits accounts when refers to certificate deposits operations and

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

interbank deposits accounts for financial letter issuance purposes. The difference between sale price and repurchase price is treated as interest and it is recognized during the term of the agreement by effective interest rate method.

### **2.16. Borrowings**

Borrowings are initially recognized at fair value less any directly attributable transaction costs. After initial recognition, these financial liabilities are measured at amortized cost using the effective interest method, except for the embedded derivative, which is measured at fair value through profit or loss.

Gains and losses are recognized in the consolidated income statements when the liabilities are derecognized as well as through the effective interest method amortization process. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the effective interest method. The effective interest method amortization is included in interest expense in the consolidated income statements.

### **2.17. Provisions**

Provisions are recognized when PagSeguro Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. When PagSeguro Group expects the value of a provision to be reimbursed, in whole or in part (for example, due to an insurance contract) the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. Expenses associated with any provisions are presented in the statement of income, net of any reimbursements. PagSeguro Group is a party to legal and administrative proceedings.

Provisions are established for all contingencies related to lawsuits for which it is probable that an outflow of funds will be necessary to settle the contingency/obligation and a reasonable estimate can be made. The assessment of the likelihood of loss includes the evaluation of available evidence, the hierarchy of laws, available case law, recent court decisions and their importance in the legal system, as well as the opinion of outside legal counsel. The provisions are reviewed and adjusted to reflect changes in circumstances.

### **2.18. Revenue and income**

Revenue from contract with customers is recognized as control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services in the ordinary course of PagSeguro Group's activities. Revenue is presented net of sales and excise taxes and returns.

PagSeguro Group's revenue from contract with customers substantially comprises:

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

- Revenue from transaction activities and other services: Revenue from fees charged for intermediation of electronic payments, and other services such as prepaid cards, which are recognized at the time the purchase is approved by the financial institution.
- Revenues from fees charged for intermediation of electronic payments are recognized on a gross basis and related transaction costs are recognized as Cost of sales and services, since PagSeguro Group is the principal in the intermediation transaction. PagSeguro Group has primary responsibility for providing the services to customers and directly sets the prices for such services, independently from the related transaction costs agreed between PagSeguro Group and the card schemes or card issuers. The revenue is recognized at the moment the transaction is concluded (point-in-time).
- Revenue from membership fee: The Company charges a non-refundable membership fee at the inception of the contract with customers that provides access to the PagSeguro Group ecosystem. Revenue related to the non-refundable membership fee has been deferred according to the PagSeguro clients' internal metrics and recognized in deferred revenues over time.
- Revenue from credit operations: The Company recognizes income earned on a daily pro-rata basis. Income from credit operations due and overdue before entering in stop accrual is recorded in revenue from transaction activities and services. After stop accrual will only be recognized income when actually received.
- Income is mostly comprised of financial income recognized because of the discount rate charged on the early payments of payables to third parties (merchants). The income is recognized at the time the merchant receives the payment for the sale in installments on an early payment basis, and it is recorded as financial income in the statement of income.

### **2.19. Current and deferred income tax and social contribution**

#### Current income tax and social contribution

Tax assets and liabilities for the current year are calculated based on the expected recoverable amount or the amount payable to the tax authorities. The tax rates and tax laws used to calculate the amount are those enacted or substantively enacted at the balance sheet date in the countries where PagSeguro Group operates and generates taxable income.

Current income tax and social contribution related to items recognized directly in equity are recognized in equity. PagSeguro Group periodically evaluates the tax positions involving interpretation of tax regulations and establishes provisions when appropriate.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

### Deferred taxes

Deferred taxes arise from temporary differences between the tax bases of assets and liabilities and their carrying amounts at the balance sheet date.

Deferred tax liabilities are recognized for all temporary taxable differences, except in the following situations:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit; and
- On temporary tax differences related to investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized on all deductible temporary differences and tax loss carryforwards, to the extent that it is probable that taxable profit will be available against which they can be offset, except:

- When the deferred tax asset related to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss; and
- On the deductible temporary differences associated with investments in subsidiaries. Deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and that taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and a deferred tax asset is recognized to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will be available to allow their utilization.

Based on the local law of the Cayman Islands (specifically, the Companies Law of 1960), there is no taxation on the income earned by companies organized in this jurisdiction. Therefore, PagSeguro Digital has no income tax impacts in the Cayman Islands.

For the subsidiaries of PagSeguro Digital, deferred tax assets and liabilities are measured using the prevailing tax rates in the year in which the assets will be realized, and the liabilities will be settled. The currently defined tax rates of 25% for income tax

Notes to the financial statements

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(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

and 9% for social contribution are used to calculate deferred taxes, except for BancoSeguro, which currently defined tax rates of 25% for income tax and 20% for social contribution and PagInvest, which currently defined tax rates of 25% for income tax and 15% for social contribution, according to the Law 14.446.

Deferred tax assets and liabilities are presented on a net basis when there is legally or contractually enforceable right to offset the tax asset against the tax liability, and the deferred taxes are related to the same taxable entity and subject to the same tax authority.

### **2.20. Employee benefits - Profit sharing**

PagSeguro Group recognizes a liability and an expense for profit sharing subject to achievement of operational targets and performance established and approved at the beginning of each fiscal year. PagSeguro Group recognizes a provision when contractually obliged or when there is a past practice that has created a constructive obligation.

### **2.21. Business combination and goodwill**

PagSeguro Group accounts for business combinations using the acquisition method. The cost of an acquisition is measured as the sum of the consideration transferred, based on its fair value on the acquisition date. Costs directly attributable to the acquisition are expensed as incurred.

The assets acquired, and liabilities assumed are measured at fair value, classified and allocated according to the contractual terms, economic circumstances, and relevant conditions on the acquisition date. PagSeguro Group recognizes any non-controlling interest in the acquired business either at fair value or at the non-controlling interest's proportionate share of the fair value of the acquired businesses' identifiable net assets. Non-controlling interests are determined upon each acquisition. Acquisition-related costs are accounted for in the statement of income as incurred.

Goodwill is measured as the excess of the consideration transferred over the fair value of net assets acquired. If the consideration transferred is smaller than the fair value of net assets acquired, the difference is recognized as a gain on bargain purchase in the statement of income. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)**

### **2.22. Treasury shares**

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue, or cancellation of the PagSeguro Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in equity.

### **2.23. Share-based payments (LTIP-Goals)**

LTIP-Goals was established by PagSeguro Brazil on December 18, 2018, as approved by the Company's board of directors, modified and ratified on August 7, 2019, February 21, 2020, January 19, 2021, August 16, 2021, and December 20, 2021. Beneficiaries under the LTIP-Goals are selected by the LTIP-Goals Committee, which consists of the Company's Chairman of the board of directors and two officers of UOL.

Beneficiaries under the LTIP-Goals are granted awards, which may be payable in cash, Class A common shares or a combination of the two, at the discretion of the LTIP-Goals Committee based on the goals established in the Company's corporate results-sharing plan for any given year. If any portion of an award was payable in Class A common shares, the relevant value in Brazilian reais was converted into Class A, the LTIP-Goals Committee will set a determination date that falls no later than on the last business day of March following the year for which such amount was awarded. Under the LTIP-Goals plan, the relevant payment shall be made and/or Class A common shares delivered within 10 business days of that determination date.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made.

That cost is recognized in personnel expenses, together with a corresponding increase in equity over the period in which the service is fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense in the statement of profit or loss represents the movement in cumulative expense recognized as at the beginning and end of the year. No expense is recognized for awards that do not ultimately vest because service conditions have not been met.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)

### 2.24. New accounting standards and laws adopted in 2025

The accounting policies adopted in the preparation of the consolidated financial statements for the year ended December 31, 2025 are consistent with those adopted for the year ended December 31, 2024, except for the changes required by the pronouncements, interpretations and standards which became effective on January 1, 2025, as described below.

- Amendment to IAS 21 "Lack of Exchangeability": issued in August 2023, with the objective of clarifying entities to determine whether a currency is exchangeable into another currency, and which spot exchange rate to use when it is not. The amendments to IAS 21 are effective as of January 1, 2025. The implementation did not have impacts in the financial statements.
- Complementary Law ("LC") No. 224/2025 (Impact on CSLL):

Complementary Law No. 224/2025, published on December 26, 2025, approve an progressive increase of CSLL rate to payment institutions, changing the actual 9% to 12% beginning in 2026 through 2027 and 15% after 2028.

Based on the expected recoverable amount on tax assets and payables on tax liabilities related to deferred taxes, the Company already booked the increase to 12% or 15% based on expected realization, that impact is an expense of R\$142,305 net of assets and liabilities as disclosed in note 23.

- OECD Pilar Two Rules – In May 2023, the IASB made narrow-scope amendments to IAS 12 which provide a temporary relief from the requirement to recognize and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The Company doesn't have significant transactions in its subsidiaries located outside of Brazil and management's assessment on the group effective tax rate did not identify material impacts in the financial statements.

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (Continued)

### 2.25. New accounting standards not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the consolidated financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments: issued in May 2024, with the objective of:
  - o clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; electronic cash transfer system;
  - o clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
  - o add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets);
  - o make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The amendments to IFRS 9 and IFRS 7 are effective as of January 1, 2026. The Group did not identify material impacts in the financial statements.

- Annual improvements to IFRS – Volume 1: issued in July 2024, with the objective of:
  - o Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards.

The Annual improvements to IFRS are effective as of January 1, 2026 with earlier application permitted. The Group did not identify impacts in the financial statements.

- Amendment to IFRS 18 "Presentation and Disclosure in Financial Statements": IFRS 18 will replace IAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

## 2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of IFRS 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:
  - Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit;
  - IFRS 18 has specific requirements on the category in which derivative gains or losses are recognized – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognizes some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognized, and the group is currently evaluating the need for change.
- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
  - management-defined performance measures;
  - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
  - for the first annual period of application of IFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying IFRS 18 and the amounts previously presented applying IAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## **2. Presentation and preparation of the consolidated financial statements and significant accounting policies (continued)**

cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with IFRS 18.

## **3. Accounting estimates and judgments**

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Accounting estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Based on assumptions, PagSeguro Group makes estimates concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The main estimates and assumptions are addressed below:

### **3.1. Provision for contingencies**

PagSeguro Group recognizes provisions for civil, tax and labor lawsuits. The assessment of probability of loss includes assessing the available evidence and jurisprudence, the hierarchy of laws and most recent court decisions. Provisions are reviewed and adjusted to consider changes in circumstances such as the applicable limitation period, findings of tax inspections and additional exposures identified based on new issues or court decisions.

### **3.2 Measurement of loss allowance for expected credit losses**

For accounts receivable from cards issuers are considered low credit risk receivables, due to the arrangement guarantees, PagSeguro Group uses a provision matrix to calculate ECLs. The provision rates are based on the internal credit rating that consider external information, such as ratings given by major rating agencies and forward-looking factors specific to the debtors and the economic environment. For receivables related to credit operations with the clients, the provision rates are based on EAD, PD and LGD as detailed in note 2.7 credit portfolio.

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#### 4. Consolidation of subsidiaries

As of December 31, 2025						
Company	Assets	Liabilities	Equity (iii)	Net income (loss) for the year	Ownership - %	Level
BancoSeguro (i)	48,050,774	46,620,935	1,429,839	69,917	100.00	Indirect
BCPS	2,904	357	2,547	57	100.00	Indirect
Biva Serviços	532,674	92,930	439,744	44,099	99.99	Indirect
BS Holding (ii)	3,817,158	227,419	3,589,739	455,962	100.00	Direct
BSEC	1,179,310	1,030,855	148,455	62,791	99.99	Indirect
CDS	253,647	35,444	218,203	20,463	99.99	Indirect
Concil	378,770	38,205	340,565	32,318	100.00	Indirect
FIDC	6,038,613	1,587,610	4,451,003	5,228,418	100.00	Indirect
FIDM	277,022	21,696	255,326	14,880	100.00	Indirect
MOIP	781,027	75,346	705,681	75,733	100.00	Indirect
Net+Phone	810,684	381,122	429,562	117,867	99.99	Indirect
Netpos	12,416	11,410	1,006	3,358	100.00	Indirect
Pag Participações	481,560	61,810	419,750	39,234	99.99	Indirect
Paginest Corretora	13,930	1,138	12,792	(4,051)	99.99	Indirect
Pageseg Participações	2,658,864	685,981	1,972,883	265,386	99.99	Direct
Pagseguro Brazil	73,746,493	68,143,069	5,603,424	828,071	99.99	Indirect
Pagseguro Chile	20,277	15,569	4,708	(55)	100.00	Indirect
Pagseguro Colombia	15,259	11,982	3,277	(893)	100.00	Indirect
Pagseguro Holding	21,440	4,732	16,708	(1,716)	99.99	Direct
Pagseguro Peru	18,730	14,725	4,005	1,817	100.00	Indirect
PagSeguro Tecnologia	931,839	386,627	545,212	43,672	99.99	Indirect
PSGP México	10,895	7,064	3,831	(2,405)	100.00	Indirect
TILIX	419,701	25,629	394,072	24,218	99.99	Indirect

i) On September 2025, the share capital of BancoSeguro increased in the amount of R\$ 500 million.

ii) During the year of 2025, 75% of the ownership in PagSeguro Internet was transferred to BS Holding.

iii) At the end of year 2025, some companies recognized provisions for distribution of dividends.

As of December 31, 2024						
Company	Assets	Liabilities	Equity	Net income (loss) for the year	Ownership - %	Level
BancoSeguro	43,106,305	42,211,043	895,262	98,787	99.99	Indirect
BCPS	2,992	427	2,565	(385)	99.99	Indirect
Biva Serviços	472,218	9,305	462,913	17,308	99.99	Indirect
BS Holding	934,868	186	934,682	100,117	100.00	Direct
BSEC	1,260,807	1,174,727	86,080	41,606	99.99	Indirect
CDS	230,198	5,267	224,931	14,818	99.99	Indirect
Concil	346,202	3,033	343,169	29,526	100.00	Indirect
FIDC	6,589,019	1,630,197	4,958,822	4,187,880	100.00	Indirect
FIDM	19,088	834	18,254	2,812	99.99	Indirect
MOIP	725,791	36,681	689,110	66,945	100.00	Indirect
Net+Phone	653,617	116,066	537,551	122,503	99.99	Indirect
Netpos	7,443	2,539	4,904	2,775	100.00	Indirect
Pag Participações	457,670	22,793	434,877	26,249	99.99	Indirect
Paginest Corretora	17,625	782	16,843	867	99.99	Indirect
Pageseg Participações	2,394,423	870	2,393,553	279,427	99.99	Direct
Pagseguro Brazil	70,372,095	60,488,640	9,883,455	1,056,170	99.99	Direct
Pagseguro Chile	20,023	15,299	4,724	(1,994)	100.00	Indirect
Pagseguro Colombia	11,433	11,245	188	(352)	100.00	Indirect
Pagseguro Holding	10,060	2,226	7,834	(7,059)	99.99	Direct
Pagseguro Peru	11,915	9,210	2,705	(1,082)	100.00	Indirect
PagSeguro Tecnologia	2,179,351	1,448,659	730,692	98,952	99.99	Indirect
PSGP México	2,320	4,183	(1,863)	(3,631)	100.00	Indirect
TILIX	54,734	1,532	53,202	3,914	100.00	Indirect
Yamí	142,865	247	142,618	8,461	99.99	Indirect
ZYGO	228,606	267	228,339	14,565	100.00	Indirect

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(All amounts in thousands of reais unless otherwise stated)

#### **4. Consolidation of subsidiaries (continued)**

Subsidiaries are engaged in providing financial technology solutions and services and the corresponding related activities. BS Holding and PagSeguro Brazil has investments in the following companies:

- BancoSeguro holds a license to provide financial services and its main products are the deposits of Pagseguro Group customers and the service offering of banking solutions for other companies in the Group.
- PagInvest: The company provides financial services related to financial market. In March, 2023, was approved by Brazilian Central Bank a capital increase in the amount of R\$13,000 totaling the amount of R\$15,000.
- Biva Sec: The company's main objective is to acquire and securitize credit solutions of PagSeguro Group, such as, loans and credit card operation.
- FIDC: FIDC is a Brazilian investment fund to finance the growth of PagSeguro Brazil's early payment of receivables feature by acquiring payables to third parties held by PagSeguro Brazil, as assignor. PagSeguro Brazil consolidates the financial statements of FIDC, since the risks of default and the responsibility for the payment of expenses and administration fees related to the FIDC are linked to subordinated quotas held by the PagSeguro Brazil.

In June 2024, PagSeguro Digital acquired 5% of their subordinated quotas owing 20% of the subordinated quotas of the fund. As of December 31, 2025, 100% of subordinated quotas are owned by the PagSeguro Group.

- MOIP: On October 31, 2020, PagSeguro Brazil acquired 100% of the share capital of MOIP. In August, 2023, MOIP's customer portfolio was migrated to PagSeguro Brazil to take advantage the structure in technology that the Group has, develop better conditions for customers and as part of strategy of the PagSeguro Group to bring more synergy in the business. In October, 2025 the Group requested to Brazilian Central Bank to revoke the payment institution license, which was approved.
- Concil: The company's corporate purpose is to provide professional data processing services, application service providers, internet hosting services, technical support, maintenance and other services in information technology, licensing, and assignment of the right to use computing.
- FIDM: On June 28, 2024, PagSeguro Group constituted an investment fund as a subsidiary of PagSeguro Brazil called Fundo de Investimento em Direitos Creditórios – Pagbank Multiadquirencia ("FIDM"). The objective of this fund is to anticipate third-party assignments in accordance with market operations.

Notes to the financial statements

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(All amounts in thousands of reais unless otherwise stated)

#### **4. Consolidation of subsidiaries (continued)**

- Netpos: Main activity is software and hardware solutions focused on developing better business management conditions.
- PagSeg: Main objective is to acquire participations in other companies, commercial or civil, as partner, shareholder or quota holder, as well as the management of these holdings.
- Net+Phone: The company was mainly engaged to concentrate HUBs strategy to attendance our costumers.
- BCPS: BCPS's main activity is to serve as PagSeguro Tecnologia's hub in Portugal and to handle part of its account management.
- PagSeguro Tecnologia: Allows its clients to operate in cross-border transactions where the merchant and consumer are located in different countries across Latin America, Spain, Portugal and Turkey.
- CDS: Payroll loans credit operations were offered by CDS and are now is offered by BancoSeguro.
- Biva Serviços: whose main objective is the intermediation among investors, financial institutions and credit borrowers via an electronic platform.
- Pag Participações: Is a holding company incorporated under PagSeg, whose main objective is to acquire participations in other companies, commercial or civil, as partner, shareholder or quota holder, as well as the management of these holdings.
- TILIX: The company provides software development for managing payment solutions for B2C and B2B.
- PSHC: PagSeguro Group constituted this holding company incorporated under PagSeguro Digital to invest in foreign companies.
- Pagseguro Chile, Pagseguro Colombia, Pagseguro Peru, PSGP Mexico, and PBMX Mexico. Their main objective is to develop all kinds of operations directly or indirectly related to the creation, implementations, and maintenance of technological platforms for payments and especially about e-commerce or the internet in their countries. They may act, directly or indirectly as a facilitator and/or agent within payment systems and digital and electronic payment ecosystems.

Notes to the financial statements

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## 5. Segment reporting

Operating segments are determined based on the information reported and reviewed by the chief operating decision maker (“CODM”). The Board of Directors, composed of top-level management and two external members, has been identified as the CODM and is responsible for allocating resources and assessing the performance of the business and to make PagSeguro Group’s strategic decisions.

Considering that all decisions are based on consolidated reports, and that all decisions related to strategic and financial planning, purchases, investments, and the allocation of funds are made on a consolidated basis, the PagSeguro Group and its subsidiaries operate in a single segment, as financial service agents.

Main companies of PagSeguro Group are domiciled in Brazil and have revenue arising from local customers and customers located abroad. The main revenue is related to sales from the domestic market. The revenue from international market represents 0.9%, 1.4% and 0,4% for the years 2025, 2024 and 2023.

## 6. Cash and cash equivalents

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Short-term bank deposits	1,269,248	510,975
Short-term investment	588,259	416,693
	<u>1,857,507</u>	<u>927,668</u>

Cash and Cash Equivalents are held for the purpose of meeting short-term cash needs and include cash on hand, deposits with banks and other short-term highly liquid investments with original maturities of three-month or less and with immaterial risk of change in value.

Short-term bank deposits are mainly represented by amounts to cover instant payments (PIX), cash on ATMs and client payments.

Short-term investments are mainly represented by voluntary deposits in Brazilian Central Bank (“BACEN” not related to any compulsory reserve, certificate of deposits, and deposits offshore with highly liquid investments with original maturities of three-month or less, with an average return of 100% of the CDI (14.9% per year as of December 31, 2025 and 12.15% per year as of December 31, 2024).

## 7. Financial investments

Consists mainly of investments in Brazilian Treasury Bonds (“LFTs”) and financial letters in the amount of R\$590,014 as of December 31, 2025 (R\$487,924 as of December 31, 2024) with an average return of 100% of the CDI (14.90% per year as of December 31, 2025 and 12.15% per year as of December 31, 2024), with original maturities greater than three-month, but not related to any compulsory reserve. The LFTs were classified as fair value through other comprehensive income and financial letters as amortized cost. Unrealized accumulated OCI effects on LFTs for the years ended in December 31, 2025 and 2024 as disclosed on note 24.

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(All amounts in thousands of reais unless otherwise stated)

## 8. Compulsory reserve

Consists in investments to comply with requirements for authorized payments institutions and to support the operations for financial institutions as set forth by the Brazilian Central Bank in the amount of R\$4,271,581 as of December 31, 2025 (R\$4,761,404 in December 31, 2024) with an average return of 100% of the CDI (14.90% per year as of December 31, 2025 and 12.15% per year as of December 31, 2024).

Compulsories reserve, except for the LFTs, were classified as amortized cost and the LFTs were classified as fair value through other comprehensive income. Unrealized accumulated OCI effects on LFTs for the years ended on December 31, 2025 and 2024 as disclosed on note 24.

## 9. Accounts receivable

The composition of the accounts receivables is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Card issuers and acquirers – Amortized cost (i)	51,714,723	54,699,240
Card issuers and acquirers – FVOCI (ii)	4,284,940	1,819,020
Other accounts receivable (iii)	61,761	132,220
<b>Total card issuers, acquirers and others</b>	<b>56,061,424</b>	<b>56,650,480</b>
<b>Current</b>	<b>55,563,067</b>	<b>56,167,315</b>
<b>Non – Current</b>	<b>498,357</b>	<b>483,165</b>

(i) Card issuers: receivables derived from transactions where PagSeguro Brazil acts as the financial intermediary in operations with the issuing banks, related to the intermediation agreements between PagSeguro Brazil and Visa, Mastercard, Hipercard, Amex or Elo. However, PagSeguro Brazil's contractual accounts receivable is with the financial institutions, which are the legal obligors on the accounts receivable payment. Additionally, amounts due within 27 days of the original transaction, including those that fall due with the first installment of installment receivables, are guaranteed by Visa, Mastercard, Hipercard, Amex or Elo, as applicable, if the legal obligors do not make the payment. As of December 31, 2025, management assessed the risk related to receivables from transactions originated by card issuers under potential liquidity scenarios and concluded that there was no material impact on the financial statements.

Acquirers refers to card processing transactions to be received from the acquirers, which are a third parties acting as financial intermediaries between the issuing bank and PagSeguro Brazil.

(ii) The Group has identified certain receivables from card issuers and acquirers which are managed separately. The Group assessed that the appropriate business model of some card issuers and acquirers originated after September 2024 which is held by the Group as part of liquidity management is held to collect and sell and measured at FVOCI. Therefore, receivables, in the amount of R\$4,284,940 (R\$1,819,020 on December 31, 2024), are recognized as fair value through other comprehensive income. Unrealized loss in the accounts receivable mark-to-market, net of taxes, in the year ended December 31, 2025, totaled R\$120,588 (R\$86,270 in the year ended December 31, 2024).

(iii) Refers to other dispersed receivables from legal obligors.

The maturity analysis of accounts receivables is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Due within 30 days	23,415,699	21,380,397
Due within 31 to 120 days	18,827,887	21,729,278
Due within 121 to 180 days	6,558,047	6,367,174
Due within 181 to 365 days	6,761,434	6,690,465
Due after 365 days	498,357	483,165
	<b>56,061,424</b>	<b>56,650,480</b>

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## 10. Credit portfolio

The composition of the credit portfolio is as follows:

	December 31, 2025	December 31, 2024
Payroll Loans, net (i)	3,190,558	2,480,074
Credit Card Receivables, net (i)	772,087	660,113
Loans, net (i)	243,722	12,606
<b>Total credit portfolio</b>	<b>4,206,367</b>	<b>3,152,793</b>

In the consolidated financial statements of December 31, 2024, credit portfolio was presented as accounts receivable. Moving forward, credit portfolio balances will be disclosed separately.

- (i) Payroll loans, credit cards receivables and loans are presented net of the ECL (“expected credit losses”) and are measured according to the IFRS 9, using: Exposure at Default (EAD) related to the exposed credit risk at default; Probability of Default (PD) related to the probability of the counterparty not meeting its contractual payment obligations; and Loss Given Default (LGD) related to the percentage of the exposure that is not expected to be recovered in the event of default. In addition to the methodology for calculating the allowance for impairment (EAD x PD x LGD). The Group takes into consideration the forward-looking information and assumptions such as the historical loss experienced at individual transactions level, credit quality and guarantees, economic factors and estimated future cash flows, which could impact the calculation model for provisioning expected credit losses.

The maturity analysis of credit portfolio as of December 31, 2025 and 2024 is as follows:

	December 31, 2025			
	Payroll loans	Credit card receivables	Loans	TOTAL
Past due	65,397	158,753	124,899	349,049
Due within 30 days	79,773	320,940	24,116	424,829
Due within 31 to 120 days	296,577	207,277	111,364	615,218
Due within 121 to 180 days	186,355	135,167	46,161	367,683,8
Due within 181 to 360 days	493,352	81,933	64,006	639,291
Due after 360 days	2,145,838	4,823	16,491	2,167,152
	3,267,292	908,893	387,037	4,563,222
Expected credit losses	(76,733)	(136,805)	(143,314)	(356,852)
<b>Credit portfolio net of ECL</b>	<b>3,190,559</b>	<b>772,088</b>	<b>243,723</b>	<b>4,206,370</b>

	December 31, 2024			
	Payroll loans	Credit card receivables	Loans	Total
Past due	21,530	126,769	123,995	272,294
Due within 30 days	65,397	300,225	1,025	424,829
Due within 31 to 120 days	226,039	178,304	3,221	407,564
Due within 121 to 180 days	140,796	108,802	1,219	250,817
Due within 181 to 360 days	377,272	60,163	4,808	442,243
Due after 360 days	1,678,835	3,733	9,002	1,691,570
	2,516,148	777,996	143,270	3,437,414
Expected credit losses	(36,074)	(117,883)	(130,664)	(284,621)
<b>Credit portfolio net of ECL</b>	<b>2,480,074</b>	<b>660,113</b>	<b>12,606</b>	<b>3,152,793</b>

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## 10. Credit portfolio – (continued)

For the credit portfolio, the weighting of objective factors plus the analysis of the coverage percentage of accessory guarantees leads to the customer rating that allows the grouping of customers with similar credit risks and classification into one of the following stages as suggested by IFRS9:

	December 31, 2025		
	Credit amount	Exposure off balance credit limits not used	Expected credit losses
Payroll Loans			
Stage 1	3,188,858	-	(17,012)
Stage 2	14,851	-	(1,872)
Stage 3	63,582	-	(57,849)
Credit Card Receivables			
Stage 1	729,665	1,580,350	(20,308)
Stage 2	66,641	20,929	(15,095)
Stage 3	112,586	1,967	(101,402)
Loans			
Stage 1	247,895	-	(13,931)
Stage 2	15,967	-	(7,657)
Stage 3	123,174	-	(121,726)
<b>Total</b>	<b>4,563,219</b>	<b>1,603,246</b>	<b>(356,852)</b>

  

	December 31, 2024		
	Credit amount	Exposure off balance credit limits not used	Expected credit losses
Payroll Loans			
Stage 1	2,480,231	-	(8,564)
Stage 2	9,044	-	(887)
Stage 3	26,873	-	(26,623)
Credit Card Receivables			
Stage 1	638,249	1,222,409	(17,595)
Stage 2	40,297	25,017	(9,127)
Stage 3	99,450	1,021	(91,161)
Loans			
Stage 1	17,415	-	(5,235)
Stage 2	22	-	(17)
Stage 3	125,833	-	(125,411)
<b>Total</b>	<b>3,437,414</b>	<b>1,248,447</b>	<b>(284,620)</b>

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(All amounts in thousands of reais unless otherwise stated)

## 10. Credit portfolio – (continued)

The reconciliation of credit portfolio operations segregated by stages:

Stage 1	December 31, 2024	Transfer to Stage 2	Transfer to Stage 3	Cure from Stage 2	Cure From Stage 3	Write-off	Additions/Reversals	December 31, 2025
Payroll Loans	2,480,231	(59,000)	(1,160)	3,544	1,029	-	764,214	3,188,858
Credit card receivables	638,250	(343,023)	(1)	131,540	174	-	302,726	729,666
Loans	17,415	(18,592)	(88)	526	6	-	248,627	247,894
<b>Total</b>	<b>3,135,896</b>	<b>(420,615)</b>	<b>(1,249)</b>	<b>135,610</b>	<b>1,209</b>		<b>1,315,567</b>	<b>4,166,418</b>
Stage 2	December 31, 2024	Transfer from Stage 1	Transfer to Stage 3	Cure to Stage 1	Cure from Stage 3	Write-off	Additions/Reversals	December 31, 2025
Payroll Loans	9,044	59,000	(52,684)	(3,544)	133	-	2,903	14,852
Credit card receivables	40,298	343,023	(110,921)	(131,540)	10	-	(74,230)	66,640
Loans	22	18,592	(6,311)	(526)	-	-	4,190	15,967
<b>Total</b>	<b>49,364</b>	<b>420,615</b>	<b>(169,916)</b>	<b>(135,610)</b>	<b>143</b>		<b>(67,137)</b>	<b>97,459</b>
Stage 3	December 31, 2024	Transfer from Stage 1	Transfer from Stage 2	Cure to Stage 1	Cure to Stage 2	Write-off	Additions/Reversals	December 31, 2025
Payroll Loans	26,873	1,160	52,684	(1,029)	(133)	(14,216)	(1,757)	63,582
Credit card receivables	99,449	1	110,921	(174)	(10)	(41,713)	(55,888)	112,586
Loans	125,833	88	6,311	(6)	-	(4,576)	(4,474)	123,176
<b>Total</b>	<b>252,155</b>	<b>1,249</b>	<b>169,916</b>	<b>(1,209)</b>	<b>(143)</b>	<b>(60,505)</b>	<b>(62,119)</b>	<b>299,344</b>

The reconciliation of expected credit losses of credit portfolio segregated by stages:

Stage 1	December 31, 2024	Transfer to Stage 2	Transfer to Stage 3	Cure from Stage 2	Cure From Stage 3	Write-off	Additions/Reversals	December 31, 2025
Payroll Loans	(8,564)	5,591	97	(382)	(1,063)	-	(12,691)	(17,012)
Credit card receivables	(17,595)	17,293	0	(13,678)	(133)	-	(6,195)	(20,308)
Loans	(5,234)	1,233	9	(154)	-	-	(9,785)	(13,931)
<b>Total</b>	<b>(31,393)</b>	<b>24,117</b>	<b>106</b>	<b>(14,214)</b>	<b>(1,196)</b>		<b>(28,671)</b>	<b>(51,251)</b>
Stage 2	December 31, 2024	Transfer from Stage 1	Transfer to Stage 3	Cure to Stage 1	Cure from Stage 3	Write-off	Additions/Reversals	December 31, 2025
Payroll Loans	(887)	(5,591)	5,333	382	(155)	-	(954)	(1,872)
Credit card receivables	(9,127)	(17,293)	57,243	13,678	(7)	-	(59,589)	(15,095)
Loans	(17)	(1,233)	3,295	154	-	-	(9,856)	(7,657)
<b>Total</b>	<b>(10,031)</b>	<b>(24,117)</b>	<b>65,871</b>	<b>14,214</b>	<b>(162)</b>		<b>(70,399)</b>	<b>(24,624)</b>
Stage 3	December 31, 2024	Transfer from Stage 1	Transfer from Stage 2	Cure to Stage 1	Cure to Stage 2	Write-off	Additions/Reversals	December 31, 2025
Payroll Loans	(26,623)	(97)	(5,333)	1,063	155	14,216	(41,230)	(57,849)
Credit card receivables	(91,161)	(0)	(57,243)	133	7	41,713	5,149	(101,402)
Loans	(125,411)	(9)	(3,295)	-	-	4,576	2,413	(121,726)
<b>Total</b>	<b>(243,195)</b>	<b>(106)</b>	<b>(65,871)</b>	<b>1,196</b>	<b>162</b>	<b>60,505</b>	<b>(33,668)</b>	<b>(280,977)</b>

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## 10. Credit portfolio – (continued)

The movement in the allowance for expected credit losses of credit receivables is as follows:

Expected Credit Losses	Payroll Loans	Credit Card Receivables	Loans	Total
December 31, 2023	(38,259)	(185,404)	(361,780)	(585,443)
Additions	(31,221)	(163,887)	(39,147)	(234,255)
Reversals	5,240	92,903	25,831	123,974
Write-Off (i)	28,166	138,505	244,431	411,102
December 31, 2024	<b>(36,074)</b>	<b>(117,883)</b>	<b>(130,664)</b>	<b>(284,621)</b>
Additions	<b>(76,574)</b>	<b>(90,302)</b>	<b>(19,925)</b>	<b>(186,801)</b>
Reversals	<b>21,699</b>	<b>29,667</b>	<b>2,698</b>	<b>54,064</b>
Write-Off (i)	<b>14,216</b>	<b>41,713</b>	<b>4,577</b>	<b>60,506</b>
<b>December 31, 2025</b>	<b>(76,733)</b>	<b>(136,805)</b>	<b>(143,314)</b>	<b>(356,852)</b>

(i) Based on the PagSeguro credit risk classification model, which assesses the risk of insolvency and default of counterparties related to credit receivables, for the year ended December 31, 2025, the PagSeguro Group carried out a partial write-off of credit receivables, for cases in which the Group does not expect to receive these amounts. The credit card receivables were written-off in the amount of R\$41,713 (R\$138,505 on December 31, 2024), loans were written-off in the amount R\$4,576 (R\$244,432 on December 31, 2024) and payroll loans were written-off in the amount R\$14,216 (R\$28,166 on December 31, 2024) against the related provision for ECL recognized in previous periods.

## 11. Recoverable taxes

	December 31, 2025	December 31, 2024
Income tax and social contribution (i)	<b>1,044,983</b>	788,901
Social integration program (ii)	<b>48,837</b>	74,452
Other	<b>17,840</b>	6,566
	<b>1,111,660</b>	869,919
Current	<b>366,105</b>	551,722
Non-current	<b>745,555</b>	318,197

(i) Refers mainly to withholding taxes from income tax and social contribution.

(ii) Refers to Social Integration Program (PIS) and Social Contribution on Revenues (COFINS) recoverable on transaction activities and other services.

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## 12. Related-party balances and transactions

### i) Balances and transactions with related parties

	December 31, 2025		December 31, 2024	
	Receivables	Payables	Receivables	Payables
<b>Banking Issuances (a)</b>				
UOL Cursos Tec. Ed. Ltda.	-	313,387	-	206,811
UOL	-	175,341	-	168,117
OFL Participações S.A.	-	126,132	-	615,057
Ingresso.com Ltda	-	102,094	-	69,419
Qulture Informática S.A.	-	11,346	-	-
Everymind Cons.Sist. LTDA	-	-	-	1,557
	-	728,300	-	1,060,961
<b>Other transactions and services</b>				
UOL - sales of services (b)	-	20,397	-	18,693
Compasso.UOL Informática Ltda.- sales of services (b)	-	11,661	-	17,982
Compasso UOL Tecnologia - sales of services (b)	-	481	-	2,648
Inwillia Desenvolvimento de produtos Digitais Ltda - sales of services (b)	-	-	-	13,909
UOL - shared service costs (c)	-	12,151	-	9,853
Digital Services UOL S.A. - borrowing (d)	25,902	-	31,849	-
Others	-	7,407	-	7,300
	25,902	52,097	31,849	70,285
Current	10,102	321,282	9,082	116,383
Non - current	15,800	459,116	22,767	1,014,863

- (a) Certificate of Deposits (CD) acquired by related parties from BancoSeguro with interest rate between 103% to 106% (104% to 106% on December 31, 2024) per year of CDI. The maturity analysis is as follows:

	December 31, 2025	December 31, 2024
Due within 31 to 120 days	8,931	-
Due within 121 to 180 days	10,716	-
Due within 181 to 360 days	249,536	46,098
Due to more than 360 days	459,117	1,014,863
	728,300	1,060,961

- (b) Sales of services refer mainly to the purchase of advertising services from UOL, colocation, development of software and cloud services acquired from other entities within the Uol Group. Inwillia was incorporated by Compass UOL Tecnologia in April, 2025.
- (c) Shared services costs mainly related to payroll costs that are incurred by the parent Group UOL and are charged to PagSeguro Group.
- (d) This receivable refers to borrowing made from Biva Sec with interest rate of 100% of CDI plus 2.5% per year.

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**12. Related-party balances and transactions (continued)**ii) Revenue and expense from transactions with related parties

	For the year ended December 31,					
	2025		2024		2023	
	Revenue	Expense	Revenue	Expense	Revenue	Expense
<b>Banking Issuances (a)</b>						
OFL Participações S.A.	-	54,099	-	24,944	-	-
UOL Cursos Tec. Ed. Ltda.	-	35,303	-	-	-	323
Universo Online S.A.	-	26,693	-	24,088	-	22,173
Ingresso.com Ltda	-	11,421	-	4,342	-	2,439
Qulture Informática S.A.	-	346	-	-	-	-
Everymind Cons.Sist. LTDA	-	16	-	57	-	-
Web Jump Desing em Informática Ltda	-	-	-	707	-	1,232
Invillia Holding Ltda	-	-	-	144	-	358
Invillia Desenvolvimento de produtos Digitais Ltda	-	-	-	2,298	-	5,706
UOL Cursos Tec. Ed. Ltda.	-	-	-	14,808	-	10,285
	-	127,878	-	71,388	-	42,516
<b>Other transactions and services</b>						
Compasso UOL S.A.- sales of services (b)	-	161,701	-	170,108	-	147,850
Universo Online S.A. - sales of services (b)	3,578	116,266	3,295	108,650	3,134	68,815
Compasso Tecnologia Ltda. - sales of services (b)	-	11,233	-	5,004	-	7,850
EDGE.UOL Tecnologia Ltda. - sales of services (b)	-	7,182	-	1,734	-	2,220
Invillia Desenvolvimento de produtos Digitais Ltda - sales of services (b)	-	-	-	809	-	5,619
UOL - shared service costs (c)	-	127,913	-	108,835	-	98,525
Digital Services UOL S.A. - borrowing (d)	3,818	-	4,146	-	2,194	-
Others	1,058	8,395	994	8,144	923	7,298
	8,454	432,690	8,435	403,284	6,251	338,177

- (a) Expenses are related to Certificate of Deposits (CD) from BancoSeguro.
- (b) Sales of services are related to advertising services from UOL, revenue is related to intermediation fee and expenses related to colocation and cloud services, acquired from other entities within the Uol Group.
- (c) Shared services costs mainly related to payroll costs sharing that are incurred by the parent Group UOL and are charged to PagSeguro Group. Such costs are included in administrative expenses.
- (d) Revenue refers to borrowing made from Biva Sec with interest rate of 100% of CDI plus 2.5% per year.

iii) Key management compensation

Key management compensation includes short and long-term benefits of PagSeguro Brazil's executive officers. The short and long-term compensation related to the executive officers for the year ended December 31, 2025 amounted to R\$53,544 (R\$37,877 and R\$35,074 for the years ended December 31, 2024 and 2023).

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### 13. Property and equipment

a) Property and equipment are composed as follows:

	December 31, 2025		
	Cost	Accumulated depreciation	Net
Data processing equipment	267,750	(131,837)	135,913
Machinery and equipment (i)	4,610,379	(2,305,736)	2,304,643
Buildings leasing (ii)	173,722	(98,988)	74,734
Other	68,722	(44,935)	23,787
<b>Total</b>	<b>5,120,573</b>	<b>(2,581,496)</b>	<b>2,539,077</b>

  

	December 31, 2024		
	Cost	Accumulated depreciation	Net
Data processing equipment	262,572	(110,100)	152,472
Machinery and equipment (i)	4,295,698	(1,990,778)	2,304,920
Buildings leasing (ii)	163,003	(79,415)	83,588
Other	62,214	(30,858)	31,356
<b>Total</b>	<b>4,783,487</b>	<b>(2,211,151)</b>	<b>2,572,336</b>

b) The changes in cost and accumulated depreciation were as follows:

	Data processing equipment	Machinery and equipment (i)	Buildings Leasing (ii)	Other	Total
On December 31, 2023					
Cost	244,452	3,658,969	154,343	47,540	4,105,304
Accumulated depreciation	(90,976)	(1,482,900)	(60,812)	(19,605)	(1,654,293)
Net book value	153,476	2,176,069	93,531	27,935	2,451,011
On December 31, 2024					
Opening balance					
Cost	18,120	636,729	8,660	14,674	678,183
Purchases	21,774	1,087,743	8,660	22,361	1,140,538
Disposals/Provisions (iii)	(3,654)	(451,014)	-	(7,687)	(462,355)
Depreciation	(19,124)	(507,878)	(18,603)	(11,253)	(556,858)
Depreciation	(22,651)	(780,291)	(18,603)	(16,829)	(838,374)
Disposals	3,527	272,413	-	5,576	281,516
Net book value	152,472	2,304,920	83,588	31,356	2,572,336
On December 31, 2024					
Cost	262,572	4,295,698	163,003	62,214	4,783,487
Accumulated depreciation	(110,100)	(1,990,778)	(79,415)	(30,858)	(2,211,151)
Net book value	152,472	2,304,920	83,588	31,356	2,572,336
On December 31, 2025					
Cost	5,178	314,681	10,719	6,508	337,086
Purchases	9,846	1,017,617	10,719	12,577	1,050,759
Disposals/Provisions (iii)	(4,668)	(702,936)	-	(6,069)	(713,673)
Depreciation	(21,737)	(314,958)	(19,573)	(14,077)	(370,345)
Depreciation	(26,327)	(839,565)	(19,573)	(16,034)	(901,499)
Disposals	4,590	524,607	-	1,957	531,154
Net book value	135,913	2,304,643	74,734	23,787	2,539,077
On December 31, 2025					
Cost	267,750	4,610,379	173,722	68,722	5,120,573
Accumulated depreciation	(131,837)	(2,305,736)	(98,988)	(44,935)	(2,581,496)
Net book value	135,913	2,304,643	74,734	23,787	2,539,077

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(All amounts in thousands of reais unless otherwise stated)

### 13. Property and equipment (continued)

- (i) Net book value of POS devices is R\$2,256,793 (R\$2,254,758 as of December 31, 2024), which are depreciated over 5 years. The depreciation of POS in the year ended December 31, 2025, amounted to R\$831,366 (R\$773,048 in the year ended December 31, 2024). On December 31, 2025, PagSeguro have contractual obligations to acquire POS devices in the amount of R\$823,267 (R\$417,064 as of December 31, 2024). The Group contracted a derivative financial instrument designated to hedge accounting ("NDF") to hedge the exchange rate on some of the POS purchases obligations as mentioned in note 30.
- (ii) As of December 31, 2025, PagSeguro had a lease liability presented in other current liabilities in the amount of R\$19,133 (R\$15,506 as of December 31, 2024) and as non-current liability in the amount of R\$59,696 (R\$71,955 as of December 31, 2024). For the year ended December 31, 2025, the Group incurred in financial costs related to these leases of R\$19,621 (R\$18,590 and R\$16,972 for the years ended December 31, 2024 and 2023).
- (iii) The Group monitors closely merchants activity and POS life-time value. If the Group detects inactivity for a certain period, the Group provisions write-off of POS devices associated. During the year ended December 31, 2025, the provisions for the net book value amounted R\$156,079 (of which R\$559,735 is cost and R\$418,731 is accumulated depreciation), in comparison to R\$163,891 (of which R\$416,030 is cost and R\$252,139 is accumulated depreciation) for the year ended December 31, 2024.

### 14. Intangible assets

a) Intangible assets are composed as follows:

	December 31, 2025		
	Cost	Accumulated amortization	Net
Expenditures related to software and technology (i)	6,225,793	(3,440,626)	2,785,167
Software licenses	421,058	(266,737)	154,321
Goodwill (ii)	227,066	-	227,066
Other	70,555	(64,706)	5,849
	<b>6,944,472</b>	<b>(3,772,069)</b>	<b>3,172,403</b>

  

	December 31, 2024		
	Cost	Accumulated amortization	Net
Expenditures related to software and technology (i)	5,042,195	(2,520,174)	2,522,021
Software licenses	369,320	(209,128)	160,192
Goodwill (ii)	227,066	-	227,066
Other	70,569	(53,546)	17,023
	<b>5,709,150</b>	<b>(2,782,848)</b>	<b>2,926,302</b>

- (i) The PagSeguro Group capitalizes expenses incurred with the development of platforms, which are amortized over their useful lives of approximately five years.
- (ii) The amount refers the recognition of a capital gain with customer portfolio with a fair value, non-compete agreement and softwares related to business combinations made by the PagSeguro Group.

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As of December 31, 2025

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### 14. Intangible assets (continued)

The changes in cost and accumulated amortization were as follows:

	<b>Expenditures with software and technology</b>	<b>Software licenses</b>	<b>Goodwill</b>	<b>Other</b>	<b>Total</b>
On December 31, 2023					
Cost	3,887,300	335,561	227,066	70,569	4,520,496
Accumulated amortization	(1,756,871)	(152,123)	-	(40,433)	(1,949,427)
Net book value	2,130,429	183,438	227,066	30,136	2,571,069
On December 31, 2024					
Cost	1,154,895	33,759	-	-	1,188,654
Additions (i)	1,154,895	33,867	-	-	1,188,762
Disposals	-	(108)	-	-	(108)
Amortization	(763,303)	(57,005)	-	(13,113)	(833,421)
Amortization	(763,303)	(57,113)	-	(13,113)	(833,529)
Disposals	-	108	-	-	108
Net book value	2,522,021	160,192	227,066	17,023	2,926,302
On December 31, 2024					
Cost	5,042,195	369,320	227,066	70,569	5,709,150
Accumulated amortization	(2,520,174)	(209,128)	-	(53,546)	(2,782,848)
Net book value	2,522,021	160,192	227,066	17,023	2,926,302
On December 31, 2025					
Cost	<b>1,183,598</b>	<b>51,738</b>	-	<b>(14)</b>	<b>1,235,322</b>
Additions (i)	1,184,243	52,577	-	-	1,236,820
Disposals	(645)	(839)	-	(14)	(1,498)
Amortization	<b>(920,452)</b>	<b>(57,609)</b>	-	<b>(11,162)</b>	<b>(989,223)</b>
Amortization	(920,943)	(58,448)	-	(11,168)	(990,559)
Disposals	491	839	-	6	1,336
Net book value	<b>2,785,167</b>	<b>154,321</b>	<b>227,066</b>	<b>5,847</b>	<b>3,172,401</b>
On December 31, 2025					
Cost	<b>6,225,793</b>	<b>421,058</b>	<b>227,066</b>	<b>70,555</b>	<b>6,944,472</b>
Accumulated amortization	<b>(3,440,626)</b>	<b>(266,737)</b>	-	<b>(64,706)</b>	<b>(3,772,069)</b>
Net book value	<b>2,785,167</b>	<b>154,321</b>	<b>227,066</b>	<b>5,849</b>	<b>3,172,403</b>

(i) Refers to several and diverse expenditures with software and technology, mainly related to customer experience functionalities, such as digital payment and digital banking account.

The goodwill is allocated to the Cash Generating Units (CGUs) in each of the acquired companies that generated the goodwill and is demonstrated below:

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
MOIP (i)	<b>148,218</b>	148,218
Concil	<b>20,731</b>	20,731
Netpos	<b>17,158</b>	17,158
Biva Serviços	<b>14,627</b>	14,627
Banco Seguro	<b>12,612</b>	12,612
Pag Participações (ii)	<b>7,150</b>	-
PagSeguro Tecnologia	<b>6,570</b>	6,570
Zygo (ii)	-	5,768
Yami (ii)	-	1,382
<b>Total</b>	<b>227,066</b>	227,066

(i) The online operating channel previously managed by MOIP was discontinued and continues to be supported within the PagSeguro structure, therefore, the CGU is calculated on a combined basis.

(ii) In January and February, 2025, the subsidiaries Yami and Zygo were incorporated by Pag Participações.

## PagSeguro Digital Ltd.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

### 14. Intangible assets (continued)

The recoverable amount of a CGU is determined based on the value-in-use calculations. The goodwill was mainly represented by the MOIP acquisition in the amount of R\$148,218. The recoverability of this goodwill was tested using five-years budgets, a long-term growth rate based on estimated gross domestic product (1.93% in 2029 and 1.93% in 2030), inflation rates (3.63% in 2029 and 3.63% in 2030) metrics to project future cash flows and discount rate based on WACC (fluctuation from 14% to 16% per year). For the goodwill originated by other acquisitions the Company tested the recoverability using the same approach.

Based on these assessments, management concluded that the book balances of goodwill recorded on December 31, 2025 are recoverable, since the estimated value for CGU was higher than its book value and, therefore, no provision for impairment of was accounted for.

### 15. Payables to third parties

Payables to merchants, in the amount of R\$10,893,747 (R\$11,642,218 as of December 31, 2024) correspond mainly to amounts to be paid to merchants related to transactions carried out by their card holders, net of the intermediation fees and discounts applied.

### 16. Obligations to FIDC quota holders

On October 2022, 100,000 new senior quotas of the FIDC were issued with a nominal value of R\$1,000 each, totaling R\$100 million with third party investors. On September 2025, this quotas was redeemed in the amount of R\$149,392 including interest.

On November 2024, 1,000,000 new senior quotas of the FIDC were issued with a nominal value of R\$1,000 each, totaling R\$1 billion with an interest rate of 100% of the CDI plus a fixed rate of 1%, due date is November 2026. In the same operation, the Group entered swaps to change the interest rate accrual to 108% of the CDI. This operation has a specific objective of protect the risk from interest rate volatility for the investors remuneration changing fixed rates for CDI rates.

Obligations to FIDC quotas holders amount to R\$1,171,463 on December 31, 2025 (R\$1,151,384 on December 31, 2024) with an average cost of 107% of CDI (108% of CDI on December 31, 2024). For the year ended December 31, 2025 the remuneration for the FIDC quotas holders amounted to R\$169,470 (R\$32,398 and R\$15,622 for the years ended December 31, 2024 and 2023, respectively).

### 17. Checking accounts

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Banking accounts (i)	11,410,673	10,972,294
Merchant's payment account (ii)	833,026	1,058,279
	<u>12,243,699</u>	<u>12,030,573</u>

(i) Refers to the balance of the clients maintained in their banking accounts that are invested in Certificate of Deposits with interest of up to 100% of CDI but are only paid on the 30th days anniversary.

(ii) Refers to merchant's payment account that PagSeguro acquire treasury bonds to comply with certain requirements as mentioned in note 8.

During the year ended December 31, 2025, the average interest cost associated with Checking Accounts amounted to 46% of CDI (58% of CDI on December 31, 2024).

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## 18. Banking issuances

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Certificate of deposits (i)	16,401,956	17,038,525
Interbank deposits (ii)	12,026,038	7,050,709
	<u>28,427,994</u>	<u>24,089,234</u>
Current	18,947,864	12,677,098
Non - Current	9,480,130	11,412,136

- (i) During the year ended December 31, 2025, the average interest cost amounted to 103% of CDI (109% of CDI in December 31, 2024). Some deposits have interest rates correlated to the IPCA (Brazilian inflation rates) and fixed rates. For these certificates of deposit, the Group contracts derivative financial instruments (Swaps) designated to hedge accounting with the specific objective of protecting deposits from fluctuations arising from inflation, changing IPCA and fixed rates for CDI rates. More details of financial instruments in note 30.
- (ii) During the year ended December 31, 2025, the average interest cost associated amounted to 107% of CDI (110% of CDI on December 31, 2024). On September 30, 2025, the PagSeguro Group issued R\$1,000,000 in Public Financial Letter. The maturity date will be July 10, 2027. The notional amount and accrued interest will be paid at maturity. The operation was closed with an interest rate of CDI + 0.45% per year, the Company contracted a derivative financial instrument not designated to hedge accounting ("Swap") to convert from CDI + 0.45% to 103.6% of CDI per year.

The maturity analysis of banking issuances based on the due date of the agreements (disregarding that some can be withdrawn at any time) is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Due within 30 days	5,709,683	4,289,493
Due within 31 to 120 days	6,186,359	5,258,608
Due within 121 to 180 days	2,509,993	763,642
Due within 181 to 360 days	4,541,829	2,365,355
Due within 361 days or more days	9,480,130	11,412,136
	<u>28,427,994</u>	<u>24,089,234</u>

The changes in the amount were as follows:

On December 31, 2023	16,188,440
Additions	42,437,883
Withdraws	(35,607,575)
Interest	1,070,486
On December 31, 2024	<u>24,089,234</u>
<b>Additions</b>	<b>68,870,530</b>
<b>Withdraws</b>	<b>(66,523,971)</b>
<b>Financial instruments</b>	<b>(4,046)</b>
<b>Interest</b>	<b>1,996,247</b>
<b>December 31, 2025</b>	<b><u>28,427,994</u></b>

## 19. Salaries and social security charges

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Payroll accruals and profit sharing	248,771	279,092
Social charges	60,221	50,810
Payroll taxes (LTIP) (i)	57,646	56,641
Other	16,892	16,100
	<u>383,530</u>	<u>402,643</u>

- (i) Refers to social charges and income tax over LTIP and LTIP goals balances.

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## 20. Taxes and contributions

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Taxes</b>		
Services tax (i)	206,500	201,590
Social integration program (ii)	67,674	61,090
Social contribution on revenues (ii)	416,545	417,265
Income tax and social contribution (iii)	6,701	3,774
Other	48,864	22,357
	<u>746,284</u>	<u>706,076</u>
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Judicial deposits (iv)</b>		
Services tax (i)	(190,881)	(188,449)
Social integration program (ii)	(35,988)	(33,110)
Social contribution on revenues (ii)	(221,463)	(203,755)
	<u>(448,332)</u>	<u>(425,314)</u>
	<u>297,952</u>	<u>280,762</u>

(i) Refers to tax on revenues.

(ii) Refers mainly to Social Integration Program (PIS) and Social Contribution on Revenues (COFINS) charged on financial income.

(iii) Refers to the income tax and social contribution payable.

(iv) The PagSeguro Group obtained until January 2021 court decisions to deposit the amount related to the payments in escrow for matters discussed in items "i" and "ii" and above.

## 21. Provision for contingencies

PagSeguro Group is party to labor and civil litigation in progress and are discussing such matters at the administrative and judicial levels, for which in some cases the PagSeguro Group has made corresponding judicial deposits. The likelihood of a negative outcome is assessed periodically and adjusted by management, when appropriate. Such an assessment considers the opinion of its external legal advisors.

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Civil	92,888	73,114
Labor	115,745	41,846
	<u>208,633</u>	<u>114,960</u>
Current	87,291	43,820
Non-Current	121,342	71,140

Below it is demonstrated the movements of the provision for contingencies in the year ended December 31, 2025:

On December 31, 2023	97,219
Accrual	106,559
Settlement	(35,291)
Reversal	(60,860)
Interest	7,323
On December 31, 2024	114,960
Accrual	164,730
Settlement	(54,775)
Reversal	(23,070)
Interest	6,788
<b>On December 31, 2025</b>	<u>208,633</u>

## PagSeguro Digital Ltd.

Notes to the financial statements

As of December 31, 2025

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### 21. Provision for contingencies (continued)

The PagSeguro Group is party to tax and civil lawsuits involving risks classified as possible losses, for which no provision was recognized as of December 31, 2025, totaling R\$1,190,874 (R\$996,526 on December 31, 2024). The main tax lawsuits are disclosed below:

On October 15, 2021, Pagseguro Internet was assessed by the Brazilian Internal Revenue Service ("IRS") for not collecting tax on financial operation ("IOF") on intercompany loans, IOF is applicable over credit transactions of any nature, including intercompany loans. The amount of this assessment was R\$343,622 (R\$315,403 on December 31, 2024).

The Group has presented its defense, clarifying that the transactions carried out among PagSeguro and its subsidiaries are not credit transactions. The Pagseguro Group has a centralized cash pool and, according to the law, this kind of intercompany transaction is not taxable by IOF.

Additionally, the Group has one contingency related to labor taxes in the amount of R\$254,869 (R\$234,120 on December 31, 2024).

### 22. Borrowings

The composition of the borrowings is as follows:

Origination date	Due date	Interest rate	December 31, 2025	December 31, 2024
December, 2024	January, 2025	106.6% of the CDI	-	2,513,021
March, 2024	March, 2025	109.9% of the CDI	-	762,078
December, 2024	February, 2025	105.5% of the CDI	-	350,168
March, 2024 (i)	March, 2025	110.2% of the CDI	-	252,287
December, 2024 (i)	December, 2025	105.0% of the CDI	-	643,949
January, 2025 (i)	January, 2026	107.0% of the CDI	989,076	-
December, 2025	March, 2026	102.9% of the CDI	800,454	-
December, 2025 (i)	December, 2026	104.5% of the CDI	647,316	-
			<b>2,436,846</b>	<b>4,521,503</b>

(i) These borrowings were contracted in pre-fixed rate and in foreign currencies, for both variables the Company contract financial derivatives for change to the CDI as mentioned in the note 28.

The borrowings balance refers to funds for working capital related to the merchant's prepayment operation and credit underwriting. These borrowings have attractive interest rates and a substantially very short maturity date, therefore, the decision to raise funds through borrowings is based on market opportunities and financial efficiency regardless of the instrument used.

On December 31, 2025, the Group recorded the net effects of the swap derivatives designated to hedge accounting as a liability in the amount of R\$85,882, basically represented by the different foreign exchange rates and interest rate volatility at the time of entering into the borrowings agreements on December 31, 2025. More details of financial instruments are presented in note 30.

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## 22. Borrowings (continued)

The table below demonstrates the changes in the borrowings:

On December 31, 2023	189,427
Addition	8,883,160
Payment of principal	(4,785,598)
Interest	234,514
On December 31, 2024	4,521,503
Addition	<b>6,198,654</b>
Payment of principal	<b>(8,504,049)</b>
Interest	<b>220,738</b>
<b>On December 31, 2025</b>	<b>2,436,846</b>

## 23. Income tax and social contribution

### a) Reconciliation of the deferred income tax and social contribution

	Tax losses	Tax credit	Technological innovation (i)	Other temporary differences assets (ii)	Other temporary differences liability (iii)	Total
<b>Deferred tax</b>						
On December 31, 2023	54,236	(4,496)	(729,868)	484,744	(1,537,847)	(1,733,231)
Included in the statement of income	(33,664)	(2,248)	(131,503)	(48,690)	192,147	(23,958)
Included in OCI (iv)	-	-	-	44,442	-	44,442
Other	21,464	-	(2,040)	(1,253)	86	18,257
On December 31, 2024	42,036	(6,744)	(863,411)	479,243	(1,345,614)	(1,694,490)
<b>Included in the statement of income</b>	<b>(32,440)</b>	<b>(2,690)</b>	<b>(168,116)</b>	<b>193,547</b>	<b>(66,943)</b>	<b>(76,642)</b>
<b>Included in OCI (iv)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,110</b>	<b>-</b>	<b>62,110</b>
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,363</b>	<b>-</b>	<b>2,363</b>
<b>On December 31, 2025</b>	<b>9,596</b>	<b>(9,434)</b>	<b>(1,031,527)</b>	<b>737,263</b>	<b>(1,412,557)</b>	<b>(1,706,659)</b>
<b>Deferred tax asset</b>						<b>86,979</b>
<b>Deferred tax liability</b>						<b>1,793,638</b>

(i) Refers to the benefit granted by the Technological Innovation Law (Lei do Bem), which reduces the tax charges on the capitalized amount intangible assets.

(ii) The main other assets temporary difference refers to expected credit losses (Note 10) and taxes and contributions (Note 20).

(iii) The main other liability temporary difference refers to gain on the ownership of FIDC quotas, that will be realized only in the redemption of such quotas.

(iv) The amount refers mainly to the tax on accounts receivable mark-to-market, more details in note 9.

Deferred taxes include the increases tax rates of Contribution of Net Income (CSLL) related to Complimentary Law No. 224/2025 resulting in an expense in the amount of R\$142,305.

Deferred tax assets are recognized for tax loss carry-forward to the extent that the realization of the related tax benefit through future taxable profits is probable. Tax losses do not have expiration date.

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**23. Income tax and social contribution (continued)****b) Reconciliation of the income tax and social contribution expense**

PagSeguro Group computed income tax and social contribution under the taxable income method. The following is a reconciliation of the difference between the actual income tax and social contribution expense and the expense computed by applying the Brazilian federal statutory rate during years ended December 31, 2025, 2024 and 2023.

	For the year ended December 31,		
	2025	2024	2023
Profit for the year before taxes	2,549,424	2,379,929	2,017,107
Statutory rate	34%	34%	34%
Expected income tax and social contribution	<b>(866,804)</b>	(809,176)	(685,816)
<b>Income tax and social contribution effect on:</b>			
Permanent additions (exclusions)			
Gifts	<b>(5,072)</b>	(4,476)	(1,826)
R&D and technological innovation benefit - Law 11,196/05 (i)	<b>311,203</b>	311,666	193,405
Taxation of income abroad (ii)	<b>243,870</b>	175,060	123,594
Recorded (unrecorded) deferred taxes	<b>251</b>	19,777	(9,449)
Complimentary Law No. 224/2025 (iii)	<b>(142,305)</b>	-	-
Other additions (exclusions)	<b>27,795</b>	43,588	16,669
Income tax and social contribution expense	<b>(431,062)</b>	(263,561)	(363,423)
Effective rate	<b>17%</b>	11%	18%
Income tax and social contribution - current	<b>(354,272)</b>	(261,211)	(101,846)
Income tax and social contribution - deferred	<b>(76,790)</b>	(2,350)	(261,577)

- (i) Refers to the benefit granted by the Technological Innovation Law (*Lei do Bem*), which reduces the income tax charges, based on the amount invested by the PagSeguro Group on specific intangible assets, see note 12.
- (ii) Some entities and investment funds adopt different taxation regimes according to the applicable rules in their jurisdictions, which differs from the Brazilian tax rate of 34% applied for the purpose of this note.
- (iii) The amount refers to the increase in the tax rates of CSLL related to Complimentary Law No. 224/2025.

## PagSeguro Digital Ltd.

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### 24. Equity

#### a) Share capital

On December 31, 2025, share capital is represented by 305,677,709 common shares, per value of US\$0.000025. Share capital is composed of the following shares for the year ended December 31, 2025:

December 31, 2023 shares outstanding	329.608.424
Treasury shares	12.044.093
Long-Term Incentive Plan	3.200.293
Repurchase of common shares	(15.244.386)
December 31, 2024 shares outstanding	329.608.424
<b>Treasury shares</b>	<b>24.119.090</b>
<b>Long-Term Incentive Plan</b>	<b>3.067.643</b>
<b>Repurchase of common shares</b>	<b>(27.186.733)</b>
<b>Share cancellation</b>	<b>(23.930.715)</b>
<b>December 31, 2025 shares outstanding</b>	<b>305.677.709</b>

#### b) Capital reserve

The capital reserve can only be used to increase capital, offset losses, redeem, reimburse or purchase shares or pay cumulative dividends on preferred shares. For the year ended December 31, 2025, and 2024, the Group recognized the capital reserve movement related to the costs of the FIDM and FIDC in the amount of R\$2,368 (R\$475 on December 31, 2024) and all the LTIP/ LTIP goals shares were delivered with treasury shares.

#### c) Share based long-term incentive plan (LTIP goals)

LTIP-Goals was established by PagSeguro Brazil on December 18, 2018, as approved by the Company's board of directors, modified and ratified on August 7, 2019, February 21, 2020, January 19, 2021, August 16, 2021, and December 20, 2021. Beneficiaries under the LTIP-Goals are selected by the LTIP-Goals Committee, which consists of the Company's Chairman of the board of directors and two officers of UOL.

The unvested portions of each beneficiary's LTIP and LTIP goals rights will be settled on each future annual vesting date in cash, Class A common shares or a combination of the two.

This arrangement is classified as equity settled. For the year ended December 31, 2025, the Group recognized in equity, costs related to the LTIP and LTIP Goals in the total amount of R\$112,098 (R\$178,692 in the year ended December 31, 2024). On December 31, 2025, the amount of R\$60,221 (R\$50,810 on December 31, 2024) was accounted for LTIP and LTIP Goals social charges, including withholding income tax (Note 19).

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## 24. Equity (continued)

The maximum number of common shares that can be delivered to beneficiaries under the LTIP and LTIP Goals may not exceed 3% and 1% per year, respectively, of the PagSeguro Group's issued share capital at any time. For the year ended December 31, 2025, total shares delivered were 3,067,643 from treasury shares (3,200,293 for the year ended December 31, 2024) representing 0.93% of total shares (1% for the year ended December 31, 2024). Additionally total shares granted were 2,797,058 representing 0.92% of total shares.

### d) OCI and equity valuation adjustments

The Group recognizes in this account the accumulated effect of the foreign exchange variation resulting from the conversion of the financial statements of the foreign subsidiaries BCPS, Pageseguro Colombia, Pageseguro Chile, Pageseguro Peru, Pageseguro Mexico and PBMX México which amounted to a gain of R\$117 in the year ended December 31, 2025 (gain of R\$767 in the year ended December 31, 2024). This accumulated effect will be reverted to the result of the year as gain or loss only in case of disposal or write-off of the investment.

The financial investments, LFTs acquired as part of compulsories reserves and accounts receivables mark-to-market mentioned in notes 7, 8 and 9, respectively, were classified at fair value through other comprehensive income. Unrealized gain on LFTs for the year ended December 31, 2025 totaled R\$95 (gain of R\$796 for the year ended December 31, 2024) and the unrealized losses in the accounts receivable mark-to-market, net of taxes, in the year ended in December 31, 2025 totaled R\$120,588 (R\$86,270 in the year ended December 31, 2024).

The derivative financial instruments mentioned in note 22, designated as cash flow hedge, were classified at fair value through other comprehensive income. Unrealized losses on these hedge instruments, net of taxes, in the year ended December 31, 2025, totaled R\$4,588 (gain of R\$2,266 in the year ended December 31, 2024).

As part of transactions completed in prior years, the PagSeguro Group also recognized in this account the difference between the book value and the amounts paid in the acquisitions of additional interests from the non-controlling shareholders of the subsidiary represented by the accumulated amount of R\$22,372 (R\$22,372 as of December 31, 2024).

### e) Treasury shares

On August 2024, The Board of directors has authorized a share repurchase program, under which PagSeguro Digital Ltd. may repurchase up to US\$200 million in outstanding Class A common shares. The former program (announced in 2018) was concluded after the repurchase of a total amount of US\$250 million in Class A common shares.

On May 29, 2025, The Board of directors has authorized its third share repurchase program, under which PagSeguro Digital Ltd. may repurchase up to US\$ 200 million in outstanding Class A common shares. The former program (announced in August 2024) was concluded after the repurchase of a total amount of US\$200 million in Class A common shares. The new repurchase program will go into effect immediately and does not have a fixed expiration date.

The Company's management is responsible for defining the timing and the number of shares to be acquired, within authorized limits.

Notes to the financial statements

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**24. Equity (continued)**

On May 13, 2025, the Company's Board of Directors approved the cancellation of 23,930,715 common shares held in treasury, in the total amount of R\$1,208,680. As a result of cancellation PagSeguro's share capital will be comprised of 305,677,709.

Treasury shares are composed of the following shares for the year ended:

<b>Repurchase shares</b>	<b>Shares</b>	<b>Amount</b>	<b>Average Price (US\$)</b>
December 31, 2023 treasury shares	13,739,418	760,318	10.51
Repurchase of common shares	15,244,386	784,459	8.93
Long-term incentive plan	(3,200,293)	(177,099)	10.51
December 31, 2024 treasury shares	25,783,511	1,367,677	9.58
<b>Repurchase of common shares</b>	<b>27,186,733</b>	<b>1,330,183</b>	<b>8.82</b>
<b>Long-term incentive plan</b>	<b>(3,067,643)</b>	<b>(159,803)</b>	<b>9.58</b>
<b>Share cancellation</b>	<b>(23,930,715)</b>	<b>(1,208,680)</b>	<b>8.98</b>
<b>December 31, 2025 treasury shares</b>	<b>25,971,886</b>	<b>1,329,377</b>	<b>9.34</b>

f) Dividends

On May 13, 2025 the Company's Board of Directors approved the first payment of dividend of US\$0.14 per common share of the Company. The dividends were paid on September 6, 2025, totaling R\$236,037, being R\$94,920 to controlling shareholders and R\$141,117 to third-party shareholders.

On June 13, 2025 the Company's Board of Directors approved the second payment of dividend of US\$0.12 per common share of the Company. The dividends were paid on August 13, 2025, totaling R\$195,164, being R\$81,200 to controlling shareholders and R\$113,964 to third-party shareholders.

On September 3, 2025 the Company's Board of Directors approved the third payment of dividend of US\$0.12 per common share of the Company. The dividends were paid on October and November, 2025, totaling R\$185,854, being R\$76,650 to controlling shareholders and R\$109,204 to third-party shareholders.

On December 30, 2025 the Company's Board of Directors approved the fourth payment of dividend of US\$0.12 per common share of the Company, in the amount of R\$184,686, being R\$83,594 to controlling shareholders and R\$101,093 to third-party shareholders. The provision is an estimate subject to fluctuations caused by the exchange rate at the payment date and the final amount was R\$171,985 as disclosed in note 33.

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## 25. Earnings per share

### a) Basic

Basic earnings per share is calculated by dividing net income attributable to equity holders of PagSeguro Digital by the weighted average number of common shares issued and outstanding during years ended December 31, 2025, 2024 and 2023:

	For the year ended December 31,		
	2025	2024	2023
Profit attributable to stockholders of the Company	2,118,362	2,116,368	1,653,684
Weighted average number of outstanding common shares (thousands)	295,198,455	316,096,185	321,806,480
Basic earnings per share - R\$	7.1761	6.6953	5.1387

### b) Diluted

Diluted earnings per share are calculated by dividing net income attributable to equity holders of PagSeguro Digital by the weighted average number of common shares outstanding during the period plus the weighted average number of common shares that would be issued on conversion of all dilutive potential common shares into common shares. The shares in the LTIP and LTIP Goals are the only shares with potential dilutive effect. In this case, a calculation is done to determine the number of shares that could have been acquired at fair value.

	For the year ended December 31,		
	2025	2024	2023
Profit used to determine diluted earnings per share	2,118,362	2,116,368	1,653,684
Weighted average number of outstanding common shares (thousands)	295,198,455	316,096,185	321,806,480
Weighted average number of shares that would have been issued at average market price	2,669,403	3,415,235	2,149,097
Weighted average number of common shares for diluted earnings per share (thousands)	297,867,858	319,511,419	323,955,577
	7.1118	6.6238	5.1047

The weighted average number of outstanding common shares decreased due to the repurchase of common shares (treasury shares).

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## 26. Total revenue and income

	For the year ended December 31,		
	2025	2024	2023
Gross amount from transaction activities and other services (i)	<b>9,419,128</b>	10,352,228	10,241,654
Gross financial amount (ii)	<b>11,888,127</b>	9,391,519	6,858,109
Gross other financial amount (iii)	<b>944,501</b>	699,333	402,394
Total gross amount	<b>22,251,756</b>	20,443,080	17,502,157
Deductions from gross amount from transactions activities and other services (iv)	<b>(1,260,474)</b>	(1,168,946)	(1,214,412)
Deductions from gross financial amount (v)	<b>(303,521)</b>	(241,092)	(205,063)
Deductions from gross other financial amount (vi)	<b>(277,249)</b>	(223,410)	(134,281)
Total deductions from gross amount	<b>(1,841,244)</b>	(1,633,448)	(1,553,756)
Total revenue and income	<b>20,410,512</b>	18,809,632	15,948,401

(i) Includes mainly intermediation fee, membership fee and credit operations revenues.

(ii) Includes income from early payment of notes payable to third parties.

(iii) Includes (a) interest of financial investments and (b) gain on exchange variation.

(iv) Deductions consist of transactions taxes.

(v) Deductions consist of taxes on financial income.

(vi) Deductions consist of taxes on other financial income.

## 27. Expenses by nature

	For the year ended December 31,		
	2025	2024	2023
Transactions costs (i)	<b>(6,996,522)</b>	(7,198,093)	(5,956,108)
Marketing and advertising	<b>(868,803)</b>	(858,321)	(580,667)
Personnel expenses (ii)	<b>(1,327,458)</b>	(1,421,253)	(1,122,128)
Financial costs (iii)	<b>(5,228,792)</b>	(3,746,688)	(3,269,556)
Chargeback (iv)	<b>(251,645)</b>	(345,799)	(426,740)
Credit loss allowance expenses (v)	<b>(129,293)</b>	(110,280)	(109,308)
Depreciation and amortization (vii)	<b>(1,807,514)</b>	(1,600,932)	(1,355,653)
Other (vi)	<b>(1,251,061)</b>	(1,148,337)	(1,111,134)
	<b>(17,861,088)</b>	(16,429,703)	(13,931,294)
Classified as:			
Cost of services	<b>(9,696,094)</b>	(9,543,315)	(8,132,580)
Selling expenses	<b>(1,644,852)</b>	(1,749,310)	(1,320,508)
Credit loss allowance expenses (v)	<b>(129,293)</b>	(110,280)	(109,308)
Administrative expenses	<b>(860,966)</b>	(972,251)	(732,689)
Financial costs (iii)	<b>(5,228,792)</b>	(3,746,688)	(3,269,556)
Other income (expenses), net	<b>(301,091)</b>	(307,859)	(366,653)
	<b>(17,861,088)</b>	(16,429,703)	(13,931,294)

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**27. Expenses by nature (continued)**

- (i) Transactions costs are mainly composed by costs related to interchange fees of card issuers and card scheme fees.
- (ii) Personnel expenses includes compensation expenses in the amount of R\$76,888 related to the LTIP goals for the year ended December 31, 2025 (R\$149,415 and R\$109,901 for the years ended December 31, 2024 and 2023, respectively). Personnel expenses, include capitalization of LTIP goals in the amount of R\$ R\$93,937 in the year ended December 31, 2025 (R\$98,767 and R\$89,223 in the years ended December 31, 2024 and 2023, respectively).
- (iii) Relates to: (i) the early collection of receivables, which amounted to R\$497,875 year ended December 31, 2025 (R\$491,654 and R\$953,509 in the years ended December 31, 2024 and 2023, respectively), (ii) interest of deposits and banking accounts which amounted to R\$3,996,267 in the year ended December 31, 2025 (R\$2,866,126 and R\$2,060,109 years ended December 31, 2024 and 2023, respectively), (iii) interest of borrowings which amounted to R\$220,739 in the year ended December 31, 2025 (R\$174,941 and R\$15,208 in the years ended December 31, 2024 and 2023, respectively) and (iv) interest of FIDC quota holders which amounted to R\$169,470 in the year ended December 31, 2025 (R\$32,398 and R\$15,622 in the years ended December 31, 2024 and 2023, respectively).
- (iv) Chargeback refer to amounts recognized during the year ended December 31, 2025 related to: (i) card processing operations (acquiring and issuing) and losses on digital accounts in the amount of R\$251,645 in the year ended in December 31, 2025 (compared to R\$345,798 and R\$393,869 in the years ended December 31, 2024 and 2023, respectively).
- (v) Credit loss allowance expenses of credit portfolio in the amount of R\$129,293 in the year ended in December 31, 2025 (R\$110,280 and R\$109,308 in the years ended December 31, 2024 and 2023, respectively) as disclosed in statements of income.
- (vi) For the year ended on December 31, 2025, the amount is impacted by R\$156,079 (R\$163,891 and R\$ 246,770 for the years ended December 31, 2024 and 2023, respectively) related to provision of POS devices, as described in note 13. The increase in Other is mainly impacted by higher consumption of software, cloud and consulting services which amounted to R\$824,081 in the year ended December 31, 2025 (R\$712,212 and R\$607,533 in the years ended December 31, 2024 and 2023, respectively).
- (vii) Depreciation and amortization amounts incurred in the year are segregated between costs and expenses as presented below:

	<b>For the year ended December 31,</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
Depreciation			
Cost of services (i)	<b>(865,195)</b>	(810,122)	(715,293)
Selling expenses	<b>(8,636)</b>	(2,046)	(198)
Administrative expenses	<b>(27,667)</b>	(26,206)	(28,331)
	<b>(901,498)</b>	(838,374)	(743,822)
Amortization			
Cost of services	<b>(966,553)</b>	(806,229)	(642,017)
Administrative expenses (ii)	<b>(24,006)</b>	(27,301)	(27,000)
	<b>(990,559)</b>	(833,530)	(669,017)
PIS and COFINS credits (iii)	<b>84,543</b>	70,972	57,186
Depreciation and amortization expense, net	<b>(1,807,514)</b>	(1,600,932)	(1,355,653)

- (i) The depreciation of POS in the year ended December 31, 2025 amounted to R\$831,366 (R\$773,048 and R\$695,685 in the years ended December 31, 2024 and 2023, respectively).
- (ii) Included in this amount are LTIP goals in the amount of R\$R\$66,718 in the year ended December 31, 2025 (R\$R\$57,812 and 46,356 for the years ended December 31, 2024 and 2023, respectively). Additionally, has assets amortizations of acquired companies in the amount of R\$19,686 in the year ended December 31, 2025 (R\$21,633 and R\$19,778 in the years ended December 31, 2024 and 2023, respectively).
- (iii) PagSeguro Brazil has a tax benefit on PIS and COFINS that allows it to reduce the depreciation and amortization over some operational expenses when incurred. This tax benefit is recognized directly as a reduction of depreciation and amortization expenses.

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## 28. Financial instruments by category

The PagSeguro Group estimates the fair value of its financial instruments using available market information and appropriate valuation methodologies for each situation.

The interpretation of market data, as regards the choice of methodologies, requires considerable judgment and the establishment of estimates to reach an amount considered appropriate for each situation. Therefore, the estimates presented may not necessarily indicate the amounts that could be obtained in the current market. The use of different hypotheses to calculate market value or fair value may have a material impact on the amounts obtained. The assets and liabilities presented in this note were selected based on their relevance.

The PagSeguro Group believes that the financial instruments recognized in these consolidated financial statements at their carrying amount are substantially similar to their fair value. However, since they do not have an active market (except for the LFT included in financial investments, which is actively traded in the market), variations could occur in the event the PagSeguro Group were to decide to settle or realize them in advance.

The PagSeguro Group classifies its financial instruments into the following categories:

	December 31, 2025	December 31, 2024
<b>Financial assets</b>		
<b>Amortized cost:</b>		
Cash and cash equivalents	1,857,507	927,668
Financial investments	534,744	362,979
Accounts receivables	51,776,484	54,831,460
Credit portfolio	4,206,367	3,152,793
Compulsory reserve	4,175,529	4,627,645
Other receivables	365,465	284,367
Judicial deposits	116,220	79,591
Receivables from related parties	25,902	31,849
<b>Fair value through other comprehensive income</b>		
Accounts receivables	4,284,940	1,819,020
Financial investments	55,270	124,945
Compulsory reserve	96,051	133,759
Derivative financial instruments	4,894	58,470
<b>Fair value through profit or loss</b>		
Derivative financial instruments	30	-
	<b>67,499,403</b>	<b>66,434,546</b>
<b>Financial liabilities</b>		
<b>Amortized cost:</b>		
Payables to third parties	10,893,747	11,642,218
Obligations to FIDC quota holders	1,171,463	1,151,384
Checking Accounts	12,243,699	12,030,573
Trade payables	606,743	663,229
Dividends payables	184,686	-
Payables to related parties	780,398	1,131,246
Banking Issuances	28,427,994	24,089,234
Borrowings	2,436,846	4,521,503
Deferred revenue	109,980	145,428
Other liabilities	106,694	198,734
<b>Fair value through profit or loss</b>		
Derivative financial instruments	33,175	67,181
<b>Fair value through other comprehensive income</b>		
Derivative financial instruments	90,776	2,788
	<b>57,086,201</b>	<b>55,643,518</b>

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## 29. Financial risk management

PagSeguro Group's activities expose it to a variety of financial risks: market risk, fraud risk (chargeback), credit risk and liquidity risk. The PagSeguro Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the PagSeguro Group's financial performance.

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. In the Pagseguro Group, market risk comprises interest rate risk, foreign currency risk and other price risk, such as equity price risk.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Pagseguro Group's exposure to the risk of changes in market interest rates arises primarily from financial investments and deposits both subject to variable interest rates, principally the CDI rate. The Pagseguro Group conducted a sensitivity analysis for the following twelve month of the interest rate risks to which the financial instruments are exposed as of December 31, 2025. For this analysis, the Pagseguro Group adopted three different scenarios: (i) maintenance of current rate of 14,90% of CDI, (ii) decrease of the rate to 12,15% of CDI, considered by management as the probable scenario and (iii) simulated scenario, where the rate reduces only to 13,90% of CDI. As a result, financial income (with respect to financial investments) and financial expenses (with respect to certificate of deposit, corporate securities, banking accounts and interbank deposits) would be impacted as follows:

Transaction	Interest rate risk	Book Value	Scenario with maintaining of CDI (14.90%)	Probable scenario with decrease of CDI 12.15%	Simulated scenario with decrease to 13.90%
Short-term investment	100% of CDI	588,259	87,651	71,473	81,768
Financial investments	100% of CDI	590,014	87,912	71,687	82,012
Compulsory reserve	100% of CDI	4,271,581	636,466	518,997	593,750
Certificate of Deposit	103% of CDI	16,401,956	(2,517,208)	(2,052,623)	(2,348,268)
Certificate of Deposit - related party	105% of CDI	728,300	(113,942)	(92,913)	(106,295)
Interbank deposits	107% of CDI	12,026,038	(1,917,311)	(1,563,445)	(1,788,633)
Checking Accounts	46% of CDI	12,243,699	(839,183)	(684,300)	(782,862)
Borrowings	105% of CDI	2,436,846	(381,245)	(310,881)	(355,658)
Obligations to FIDC quota holders	107% of CDI	1,171,463	(186,766)	(152,296)	(174,232)
<b>Total</b>			<b>(5,143,627)</b>	<b>(4,194,301)</b>	<b>(4,798,418)</b>

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## 29. Financial risk management (continued)

### Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Pagseguro Group's exposure to the risk when future commercial transactions or recognized assets or liabilities are denominated in a currency that is not the entity's functional currency. The Company's risk is mainly related to POS purchases and dividends, which are negotiated in US dollars. The Pagseguro Group conducted a sensitivity analysis for the following twelve months of the foreign exchange rate risks to POS purchases and dividends as of December 31, 2025. For this analysis, the Pagseguro Group adopted three different scenarios: (i) maintenance of foreign exchange of R\$5.50 per USD1.00, (ii) decrease 10% to R\$4.95 per USD1.00 and (iii) increase 10% to R\$6.05 per USD1.00:

Transaction	Exchange rate	Book Value (USD)	Maintaining exchange rate	Decrease of 10%	Increase of 10%
POS Purchases	5.50	149,568	822,622	740,359	904,884
Dividends	5.50	33,565	184,686	166,145	203,066
<b>Total</b>			<b>1,007,309</b>	<b>906,504</b>	<b>1,107,950</b>

Pagseguro Tecnologia, BCPS, PSGP Mexico, PBMX Mexico, Pagseguro Colombia, Pagseguro Chile and Pagseguro Peru have not material revenues in other currencies; cash and cash equivalents maintained in other countries foreign currency exposure generated in companies like PagSeguro Colombia, PagSeguro Chile, are being hedged through a non-derivative forward.

### Equity price risk

The Pagseguro Group's non-listed equity investments are susceptible to market price risk arising from uncertainties about future values of the investment. As of December 31, 2025, and December 31, 2024, the exposure to equity prices from such investments was not material.

### Fraud risk (chargeback)

The PagSeguro Group's sales transactions are susceptible to potentially fraudulent or improper sales and it uses the following two processes to control the fraud risk:

(i) The first process consists of monitoring, on a real time basis, the transactions carried out with credit and debit cards and payment slips, through an anti-fraud system. This process approves or rejects suspicious transactions at the time of the authorization, based on statistical models that are revised on a periodic basis.

(ii) The second process detects chargebacks and disputes not identified by the first process. This is a supplemental process and increases the PagSeguro Group's ability to avoid new frauds. PagSeguro's expenses with chargebacks are disclosed in note 27.

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## **29. Financial risk management (continued)**

### Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Pagseguro Group's is exposed to credit risk from its operating activities (primarily accounts receivable) and from its financing activities, including deposits with banks and financial institutions, and other financial instruments such as loans and credit card receivables with the Company's customers.

Credit risk is managed on a group basis and for its accounts receivable is limited to the possibility of default by: (a) the card issuers, which have the obligation of transferring to the credit and debit card labels the fees charged for the transactions carried out by their card holders, (b) the acquirers, which are used by the PagSeguro Group's to approve transactions with the issuers and (c) analyses for the customers background to provide access to credit portfolio.

In order to mitigate this risk, PagSeguro Brazil has established a Credit Committee, whose responsibility is to assess the level of risk of each of the card issuers served by PagSeguro Group, classifying them into three groups:

- (i) Card issuers with a low level of risk, with credit ratings assigned by FITCH, S&P and Moody's, which do not require additional monitoring; and
- (ii) Card issuers with a medium level of risk, which are also monitored in accordance with the financial metrics and ratios; and
- (iii) Card issuers with a high level of risk, which are assessed by the committee at monthly meetings.

As of December 31, 2025, management assessed the risk related to receivables from transactions originated by card issuers under potential liquidity scenarios and concluded that there was no material impact on the financial statements.

PagSeguro Group has a rating process for loans and credit, based on statistical application models (in the early stages of customer relationships) and behavior scoring (used for customers who already have a relationship history). A process for designing, calibrating, and implementing policies and guidelines for granting credit and calibrating collection rules.

A process for monitoring the portfolio's risk profile, with a prospective view, which generates early warning feedbacks to the credit granting policies and risk classification models in a timely manner.

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## 29. Financial risk management (continued)

### Liquidity risk

The PagSeguro Group manages liquidity risk by maintaining reserves, bank and credit lines in order to obtain borrowings, when deemed appropriate. The PagSeguro Group continuously monitors actual and projected cash flows and matches the maturity profile of its financial assets and liabilities to ensure that the PagSeguro Group has enough funds to honor its obligations to third parties and meet its operational needs.

The PagSeguro Group invests surplus cash in interest-bearing financial investments, choosing instruments with appropriate maturity or enough liquidity to provide adequate margin as determined by the forecasts. On December 31, 2025, PagSeguro Group held cash and cash equivalents of R\$1,857,507 (R\$927,668 on December 31, 2024).

The table below shows the PagSeguro Group's non-derivative financial liabilities divided into the relevant maturity group based on the remaining period from the balance sheet date and the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Due within 30 days	Due within 31 to 120 days	Due within 121 to 180 days	Due within 181 to 360 days	Due to 361 days or more days
<b>On December 31, 2025</b>					
Payables to third parties	5,729,412	3,372,414	834,467	901,523	55,931
Checking accounts	12,396,746	-	-	-	-
Obligations to FIDC quota holders	-	-	-	1,312,478	-
Trade payables	603,861	2,462	209	210	-
Payables to related parties	-	52,100	-	278,954	531,282
Borrowings	1,002,056	831,968	-	101,942	-
Banking issuances	5,771,704	6,425,307	2,671,573	5,068,113	10,944,810
	<b>25,515,271</b>	<b>10,684,251</b>	<b>3,506,250</b>	<b>7,663,220</b>	<b>11,532,022</b>
<b>On December 31, 2024</b>					
Payables to third parties	7,408,721	2,902,945	607,624	638,359	84,570
Checking accounts	12,153,386	-	-	-	-
Obligations to FIDC quota holders	-	-	-	147,729	1,151,767
Trade payables	590,500	72,092	347	291	-
Trade payables to related parties	-	70,285	-	50,460	1,142,913
Borrowings	2,540,481	1,409,264	-	707,278	-
Banking issuances	4,337,470	5,435,056	806,348	2,603,457	12,943,828
	<b>27,030,557</b>	<b>9,889,642</b>	<b>1,414,319</b>	<b>4,147,573</b>	<b>15,323,079</b>

### Social, environmental and climate risks

Social, environmental, and climate risks are the possibility of losses due to exposure to events of social, environmental and/or climate origin related to the activities carried out by the PagSeguro Group. Management evaluated the social, environmental and climate factors in which its businesses are inserted and considers them to have a low impact on the creation of shared value in the short, medium, and long term.

Despite this, PagSeguro adopts a Social, Environmental, and Climate Responsibility Policy (PRSAC) that guides its decision-making and integrates sustainable practices across its operations. This policy consolidates the principles and standards that shape the company's approach to social, environmental, and climate-related matters, ensuring these considerations are embedded in the development of products and services as well as in its interaction with customers, partners, and other key stakeholders.

## PagSeguro Digital Ltd.

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### 29. Financial risk management (continued)

To mitigate social, environmental and climate risks, actions are carried out to analyze processes, risks and controls, follow up on new rules related to the topic and record occurrences in internal systems. In addition to identification, the stages of prioritization, risk response, mitigation, monitoring and reporting of assessed risks complement the management of this risk at the PagSeguro Group.

### 30. Derivative financial instruments designated to hedge accounting

Pagseguro Group trades derivative financial instruments (SWAPs and NDFs) to manage its overall exposures (foreign currency, inflation index and interest rate).

#### i) Cash flow hedge

In December 2024, PagSeguro Group entered in a EU€100 million borrowing agreement, with a maturity of one-year from the execution date and the payment was made with a single instalment in December 2025 as mentioned in note 22.

In January 2025 and December 2025, the PagSeguro Group entered in borrowings agreements of EU€150 million with prefixed rate of 4,08% and EU€110 million with prefixed rate of 3,15%, respectively, with a maturity of one-year from the execution date and the payments will be made with a single instalment as the due date as mentioned in note 22. In both operations, the Company contracted into a swaps, with the specific objective to protect said borrowings from fluctuations arising from exchange variation, changing both the risk of exchange and prefixed rates to CDI, since the Company's strategy is to control all its financial assets and liabilities through the CDI. All the amounts are covered with the derivatives and the same due date is applied. The Company does not have any reclassified amount to P&L from OCI in the year end December, 31, 2025.

In December 2025, PagSeguro Group contracted a Non-deliverable forward ("NDF") with the specific objective to protect some of the POS acquisitions from fluctuation arising from exchange variation, changing the risk from dollars to reais BRL.

Below is the composition of the derivative financial instrument's portfolio by type of instrument, asset value, liability value and fair value, financial instrument and MTM registered in OCI:

December 31, 2025				
Risk factor	Liabilities		Fair value	MTM
	(i)	Financial instruments (ii)		
Swap of currency EU€ 110M	(647,386)	(8,266)	(4,384)	(3,882)
Swap of currency EU€ 150M	(992,375)	(30,285)	(26,437)	(3,848)
NDF of currency USD	(213,324)	4,464	-	4,464
December 31, 2024				
Risk factor	Liabilities		Fair value	MTM
	(i)	Financial instruments (ii)		
Swap of currency EUR	(644,960)	2,437	7,024	(4,587)
Swap of currency USD	(253,098)	55,467	47,760	7,707

(i) The amounts include taxes that were presented in taxes and contributions.

(ii) In the balance sheet the amounts presented in derivative financial instruments include others financial instruments not-designated to hedge accounting.

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

### 30. Derivative financial instruments designated to hedge accounting (continued)

#### ii) Fair value hedge

The PagSeguro Group issued certificates of deposits with fixed interest rates. For these certificates of deposits, the Group entered into swaps with the specific objective of protecting said deposits from fluctuations arising from inflation and high interest rates, exchange them for CDI rates. All the amounts, which include principal and interest, are covered and the same due dates are applied. Below is the composition of the derivative financial instrument portfolio by type of instrument, liability value and fair value, financial instrument and MTM registered in profit and loss.

December 31, 2025				
	Asset (Liability)	Financial instruments (i)	Fair value	MTM
Payroll loans	302,060	4	(5,773)	5,777
Fixed rated CDB	(9,449,998)	(36,690)	(59,291)	22,601
December 31, 2024				
	Asset (Liability)	Financial instruments (i)	Fair value	MTM
Payroll loans	697,913	2,025	(694)	2,719
Fixed rated CDB	(9,887,820)	(57,453)	(29,178)	(28,275)

(i) In the balance sheet the amounts presented in derivative financial instruments include others financial instruments not-designated to hedge accounting.

The structure of risk limits is extended to the risk factor level, where specific limits aim at improving the monitoring and understanding processes, as well as avoiding concentration of these risks, additionally, as the main financial assets and financial liabilities of the Group are measured by CDI, the PagSeguro Group's strategy is to change any other risk factors to CDI. The PagSeguro Group undertakes risk management through the economic relationship between hedge instruments and hedged item, in which it is expected that these instruments will move in opposite directions, in the same proportions, with the aim of neutralizing the risk factors. The Group performs the hedging account effectiveness as each reporting date test and for the year ended December 31, 2025 and 2024, these tests were effective.

### 31. Non-cash transactions

	For the year ended December 31,		
	2025	2024	2023
<b>Non-cash operation activities</b>			
MTM of financial assets	(182,677)	(82,437)	(176)
Share cancellation	1,208,680	-	-
Distribution of LTIP with treasury shares	159,803	177,099	114,444
<b>Non-cash investing activities</b>			
Property and equipment acquired through lease	10,719	8,660	53,643

Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

## 32. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability, in an orderly transaction between market participants at the measurement date. A three-level hierarchy is used to measure fair value, as shown below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - Inputs for the assets and liabilities that are not based on observable market data (that is, unobservable inputs).

The PagSeguro Group believes that the financial instruments recognized in these consolidated financial statements at their carrying amount are substantially similar to its fair value. Regarding financial assets, they are comprised by accounts receivable from credit/debit card issuers and acquirers originated from transactions through PagSeguro Group payment platform comprised of transactions approved by large financial institutions in the normal course of business. The financial investments are represented by government bonds with quoted prices in an active market and recognized in the balance sheet based on its fair value.

Financial liabilities are mostly represented by deposits and short-term payables to merchants which are paid in accordance with the contract set out with the merchant and other short-term payables to service providers in the normal course of business and, as such, also approximate from their fair values. There were no transfers between Levels 1, 2 and 3 in 2025.

The following table provides the fair value measurement hierarchy of PagSeguro Group's financial assets and financial liabilities as of December 31, 2025:

	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>Financial assets</b>			
Cash and cash equivalents	-	1,857,507	-
Financial investments	195,565	394,403	-
Compulsory reserve	4,271,581	-	-
Accounts receivable	-	56,061,414	-
Derivatives financial instruments	-	4,206,368	-
Credit portfolio	-	4,924	-
Other receivables	-	365,465	-
Judicial deposits	-	116,220	-
Receivables from related parties	-	25,902	-
<b>Financial liabilities</b>			
Payables to third parties	-	10,893,747	-
Checking Accounts	-	12,243,699	-
Obligations to FIDC quota holders	-	1,171,463	-
Trade payables	-	606,743	-
Payables to related parties	-	780,398	-
Dividends to be paid	-	184,686	-
Banking Issuances	-	28,427,994	-
Borrowings	-	2,436,846	-
Derivative Financial Instruments	-	123,951	-
Deferred revenue	-	109,980	-
Other liabilities	-	106,693	-

## Notes to the financial statements

As of December 31, 2025

(All amounts in thousands of reais unless otherwise stated)

**32. Fair value measurement (continued)**

	December 31, 2024		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets			
Cash and cash equivalents	27,730	899,938	-
Financial investments	124,945	362,979	-
Compulsory reserve	4,761,404	-	-
Accounts receivable	-	56,650,480	-
Credit portfolio	-	3,152,793	-
Derivative financial instruments	-	58,470	-
Other receivables	-	284,367	-
Judicial deposits	-	79,591	-
Receivables from related parties	-	31,849	-
Financial liabilities			
Payables to third parties	-	11,642,218	-
Checking accounts	-	12,030,573	-
Obligations to FIDC quota holders	-	1,151,384	-
Trade payables	-	663,229	-
Payables to related parties	-	1,131,246	-
Deposits	-	24,089,234	-
Derivative financial instruments	-	4,521,503	-
Borrowings	-	69,969	-
Deferred revenue	-	145,428	-
Other liabilities	-	198,734	-

**33. Subsequent events**

In January 2026 the PagSeguro Group paid R\$961,658 related to a borrowing contracted in January 2025. Also, in February 2026 the Group contracted a new borrowing in the amount of R\$620,690 with an interest rate of 106% of the CDI and maturity of one year from execution date.

In January and February 2026, the PagSeguro Group repurchased 2,970,972 shares in the total amount of R\$162,203 and the average price of U\$10.79.

In February the Board of Directors approved the immediate cancelation of 15,000,000 common shares held in treasury. As a result of cancellation PagSeguro's share capital will be comprised of 170,218,201 Class A common shares (including 11,158,370 shares held in treasury) and 120,459,508 Class B common shares, totaling 290,677,709 common shares.

In February 2026 the PagSeguro Group delivered 2,784,488 shares from treasury shares refer LTIP goals.

In February 2026 the PagSeguro Group paid the total amount of R\$171,985 related to dividends being R\$97,548 to controlling shareholders and R\$74,437 to third-party shareholders, respectively.

On March 1, 2026, PagSeg incorporated CDS, TILIX and Pag Participações and PagSeguro Tecnologia incorporated Biva Serviços.