

# Banco Sumitomo Mitsui Brasileiro S.A.

Consolidated financial statements as of December  
31, 2025, prepared in accordance with the  
International Financial Reporting Standards – IFRS

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# Management Report

Dear shareholders,

In compliance with the legal provisions, we submit for your appreciation the consolidated financial statements for the year ended December 31, 2025 prepared according to IFRS, whose loss for the year was R\$275,288 (loss of R\$59,195 on December 31, 2024), total assets, R\$8,415,535 (R\$11,345,718 on December 31, 2024) and loans and receivables portfolio, R\$2,522,892 (R\$3,105,887 on December 31, 2024).

## **Dividends:**

Corporate legislation and the bylaws state that a minimum of 25% of net income for the year shall be distributed to shareholders in the form of dividends and/or interest on shareholders' equity. On December 31, 2025, a provision for dividends was not set up, since a loss was recorded for the year.

The fees paid to the external audit for audit and non-audit services will be disclosed in the Annual Report of Sumitomo Mitsui Financial Group, Inc. with base date of March 31, 2026, 2026.

We remain at your disposal should you need any clarifications, and we inform you that all accounting documents supporting these consolidated financial statements are at the bank's headquarters.

São Paulo, March 31, 2026

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# Independent auditors' report on consolidated financial statements

**To the Shareholders and Managers of  
Banco Sumitomo Mitsui Brasileiro S.A.**

*São Paulo-SP*

## Opinion

We have examined the consolidated financial statements of Banco Sumitomo Mitsui Brasileiro S.A. ("Bank"), which comprises the balance sheet as of December 31, 2025, and the respective statements of profit or loss, comprehensive income, changes in equity and cash flows for the year then ended, as well as the corresponding notes, including material accounting policies and other information.

In our opinion, the consolidated financial statements fairly represent, in all material aspects, the consolidated equity and financial position of Banco Sumitomo Mitsui Brasileiro S.A. as of December 31, 2025, the consolidated performance of its operations and its consolidated cash flows for the year then ended, in accordance with the Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB).

## Basis for opinion

Our audit was conducted in accordance with Brazilian and international auditing standards. Our responsibilities, in accordance with such standards, are described in the following section entitled “Auditors' responsibilities for auditing the consolidated financial statements”. We are independent in relation to the Bank and its subsidiaries, in accordance with the relevant ethical principles set out in the Accountant's Code of Professional Ethics and in the professional standards issued by the Federal Accounting Council, and we comply with other ethical responsibilities in accordance with these standards. We believe that the audit evidence obtained is sufficient and appropriate to support our opinion.

### Key audit matters

Key audit matters are those that, in our professional judgment, were the most significant in our audit for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion on those consolidated financial statements and, therefore, we do not express a separate opinion on these matters.

#### Provision for expected losses linked to credit risk of financial assets at the amortized cost

See notes 3.c. and 8.f to the financial statements.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How our audit addressed this issue                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The measurement of the provision for expected losses linked to the credit risk of financial assets at amortized cost involves assumptions and judgments that are made by the Bank based on its internal risk rating models.</p> <p>For purposes of measuring the provision for impairment losses, such transactions are classified in accordance with the management's judgment regarding the risk level and in accordance with the Bank's policy, considering the economic outlook, past experiences, and the specific risks regarding each transaction, and their respective debtors and guarantors. The determination of the credit risk of a transaction is used for classifying it in a credit deterioration stage. Based on this classification, the expected loss is defined for each stage (expected losses for 12 months or throughout the lifecycle of the transaction).</p> <p>The provision for impairment losses is determined based on several factors: the amounts exposed, the debtor's credit quality, the level of subordination of its obligations and guarantees, the economic environment and the correlation among debtors, being defined in terms of probability of default (PD), loss given default (LGD) and exposure as of the date of default (EAD).</p> <p>We consider the measurement of the provision for expected credit losses linked to financial assets as a</p> | <p>Our audit procedures included, but are not limited to:</p> <ul style="list-style-type: none"> <li>• We assessed the design and operational effectiveness of key internal controls related to the processes of approval, registration and updating of loan transactions, as well as to the internal methodologies for assessing customers' risk ratings that support the classification of transactions and the main assumptions used in determining the provision for impairment losses.</li> <li>• We involved experienced professionals with specialized knowledge in credit risk, who have carried out methodological analysis and recalculation of the provision for expected losses linked to credit risk, as required for in IFRS 9.</li> <li>• We assessed, based on sampling, the information that supports the definition and review of customers' ratings, such as the loan application, financial and registration information, and the amounts given in formal guarantees.</li> <li>• With the help of our experienced professionals with specialized knowledge in credit risk, we analyzed the arithmetic calculation of the provision, including in the assessment of compliance with the requirements established in</li> </ul> |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>key audit matter, since it involves significant uncertainty in measurements as a result of the complexity of models and the subjectivity of the assumptions, particularly: (i) the general methodology for expected credit losses, including the methods and models used in estimating PD and LGD, as well as the selection of macroeconomic scenarios considered in the calculation; and (ii) identification of significant increase in “SICR” risk (stage 2) and exposure of assets in a situation of deterioration or default (stage 3).</p> | <p>IFRS 9 regarding the calculation of the provision for expected losses linked to credit risk.</p> <ul style="list-style-type: none"> <li>• We also assessed whether the disclosures made in the financial statements are appropriate in relation to current standards, and whether they include material information.</li> </ul> |
| <p>Based on the evidence obtained through the procedures summarized above, we consider that the assumptions used in measuring the provisions for expected losses linked to credit risk are acceptable, as well as the relevant disclosures in the context of the consolidated financial statements taken regarding the six-month period and the year ended December 31, 2025.</p>                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                    |

#### Other information accompanying the consolidated financial statements and auditors’ report

The Bank’s management is responsible for this other information that comprises the Management Report.

Our opinion on the consolidated financial statements does not cover the Management Report and we do not express any form of audit conclusion on this report.

In connection with the audit of the consolidated financial statements, our responsibility is to read the Management Report and, in doing so, consider whether that report is materially inconsistent with the financial statements or with our knowledge obtained in the auditor, otherwise, it appears to be materially distorted. If, based on the work carried out, we conclude that there is a material mistake in the Management Report, we are required to communicate this fact. We have nothing to report on in this regard.

#### Responsibilities of management and governance for the consolidated financial statements

Management is responsible for the preparation and appropriate presentation of the consolidated financial statements in accordance with the accounting practices adopted in Brazil and the international accounting standards (IFRS Accounting Standards) issued by the International Accounting Standards Board (IASB), as well as for the internal controls that it has determined as necessary to allow the preparation of financial statements that are free from material misstatement, whether caused by fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Bank’s ability to continue as a going concern, disclosing, when applicable, matters related to its operational continuity and the use of this accounting basis in preparing the financial statements, unless the management intends to liquidate the Bank and its subsidiaries, or cease its operations, or has no realistic alternative but to do so.

Those responsible for the governance of the Bank and its subsidiaries are also responsible for supervising the process of preparing the financial statements.

#### Auditors’ responsibilities for auditing the consolidated financial statements

Our objectives are to obtain reasonable assurance that the consolidated financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error, and to issue an audit report containing our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that the audit carried out in accordance with Brazilian and international auditing standards will always detect any existing relevant distortions. Misstatements may arise from fraud or error and are considered material when, individually or collectively, they may influence, from a reasonable perspective, users' economic decisions made based on said financial statements.

As part of the audit performed in accordance with Brazilian and international auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the consolidated financial statements, regardless of whether caused by fraud or error, plan and perform audit procedures in response to such risks and obtain sufficient appropriate audit evidence to support our opinion. The risk of not detecting a material mistake resulting from fraud is greater than that arising from error, as fraud may involve the act of circumventing internal controls, collusion, forgery, omission or intentional misrepresentations.
- We obtain an understanding of the internal controls relevant to the audit to plan audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the Bank and its subsidiaries.
- We conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether there is material uncertainty regarding events or conditions that may raise significant doubt regarding the ability of the Bank and its subsidiaries to continue as a going concern. If we conclude that material uncertainty exists, we should draw attention in our audit report to the related disclosures in the consolidated financial statements or include a modification of our opinion if the disclosures are inadequate. Our conclusions are based on audit evidence obtained up to the date of our report. However, future events or conditions may lead the Bank and its subsidiaries to no longer continue as a going concern.
- We assess the general presentation, the structure and the content of the financial statements, including the disclosures, and analyze whether the consolidated financial statements present the relevant transactions and events in a manner compatible with the objective of fair presentation.
- We planned and performed our audit of the group to get appropriate and sufficient audit evidence regarding the financial information of the group's entities or business units as a basis to form an opinion on the financial statements of the group. We are responsible for the guidance, supervision and review of the audit work carried out for purposes of the group's audit and, consequently, the audit opinion.

We communicate with those responsible for governance regarding, among other things, the planned scope, timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our work.

Additionally, we provide the people responsible for the governance a statement on our compliance with the relevant ethical and independent requirements, and we communicate any possible relationships or matters that might considerably affect our independence, including the actions taken to eliminate threats or the safeguards applied.

Of the matters that were the subject of communication with those responsible for governance, we determine those that were considered most significant in the audit of the financial statements for the current year and that, therefore, constitute key audit matters. We describe these matters in our audit report unless law or regulation has prohibited public disclosure of the matter, or when, in extremely rare circumstances, we determine that the matter should not be communicated in our report because the adverse consequences of such communication could, within a reasonable perspective, outweigh the benefits of communication for public interest.

São Paulo, March 31, 2026

***Consolidated IFRS Banco Sumitomo Mitsui Brasileiro S.A.***  
*Consolidated financial statements as of December 31, 2025*  
*prepared according to the IFRS*

KPMG Auditores Independentes Ltda.  
CRC 2SP-014428/O-6

Rodrigo de Mattos Lia  
CRC SP Accountant - 1SP252418/O-3

## Banco Sumitomo Mitsui Brasileiro S.A.

### Statements of financial position as of December 31, 2025 and 2024

(In thousands of Reais)

|                                                         | Notes | 2025             | 2024              |                                                  | Notes | 2025             | 2024              |
|---------------------------------------------------------|-------|------------------|-------------------|--------------------------------------------------|-------|------------------|-------------------|
| <b>Assets</b>                                           |       |                  |                   | <b>Liabilities</b>                               |       |                  |                   |
| <b>Cash and cash equivalents</b>                        | 4     | 826.485          | 3.178.098         | <b>At fair value in profit or loss</b>           |       | <u>657.782</u>   | <u>-</u>          |
| <b>Deposits linked to the Central Bank</b>              | 5     | 1.668            | 1.853             | Derivative financial instruments                 | 6d    | 657.782          | -                 |
| <b>Financial assets</b>                                 |       |                  |                   | <b>At amortized cost</b>                         |       | <u>5.794.534</u> | <u>8.346.523</u>  |
| <b>At fair value through profit or loss (FVPL)</b>      |       | <u>1.052.842</u> | <u>427.652</u>    | Deposits from clients                            | 12    | 1.344.227        | 1.721.736         |
| Interbank deposits investments                          | 8a    | 675.513          | 371.009           | Open market funding                              | 12    | 181.352          | -                 |
| Derivative financial instruments                        | 6     | 377.329          | 56.643            | Proceeds from acceptance and issue of securities | 12    | 587.866          | 180.392           |
| <b>At fair value through other comprehensive income</b> |       | <u>3.651.817</u> | <u>2.824.558</u>  | Loan and relending obligations                   | 12b   | 3.681.089        | 6.444.395         |
| Marketable securities                                   | 7     | <u>3.651.817</u> | <u>2.824.558</u>  | <b>Other liabilities</b>                         |       | <u>308.534</u>   | <u>784.810</u>    |
| <b>At amortized cost</b>                                |       | <u>2.617.916</u> | <u>4.316.101</u>  | Interdependent balances                          | 15a   | -                | 36.556            |
| Investments in repurchase agreements                    |       | 300.655          | -                 | Taxes payable                                    | 15e   | 3.567            | 109.346           |
| Interbank deposits investments                          | 8a    | 23.407           | 550.538           | Deferred tax liabilities                         | 15d   | -                | -                 |
| Marketable securities                                   | 8b    | 1.065.734        | 918.891           | Other obligations                                | 15b   | 282.760          | 619.276           |
| Loans and receivables from customers                    | 8c    | 2.522.892        | 3.105.887         | Contingent liabilities                           | 13    | 22.207           | 19.632            |
| Provision for expected credit losses                    | 8f    | (1.294.772)      | (259.215)         | <b>Equity</b>                                    | 16    | <u>1.962.625</u> | <u>2.145.241</u>  |
| <b>Other assets</b>                                     |       | <u>93.729</u>    | <u>278.597</u>    | Capital stock - Domestic                         |       | 2                | 2                 |
| Debtors from escrow deposits                            | 13    | 657              | 631               | Capital stock - Abroad                           |       | 1.785.997        | 1.675.697         |
| Taxes to offset                                         | 15f   | 22.101           | 33.051            | Profit reserves                                  |       | 165.764          | 444.360           |
| Other assets                                            | 9     | 70.971           | 244.915           | Equity valuation adjustments                     |       | 24.930           | 30.242            |
| <b>Tax assets</b>                                       |       | <u>440.898</u>   | <u>234.826</u>    | Adjustments to actuarial liabilities             |       | (23.297)         | (19.077)          |
| Deferred tax assets                                     | 15c   | -                | -                 | Gains and Losses - Hedge                         |       | 9.229            | 14.017            |
| Deferred tax credits                                    | 15d   | 440.898          | 234.826           |                                                  |       |                  |                   |
| <b>Tangible assets</b>                                  | 10    | 30.031           | 7.269             |                                                  |       |                  |                   |
| <b>Intangible assets</b>                                | 11    | 8.089            | 7.620             |                                                  |       |                  |                   |
| <b>Total assets</b>                                     |       | <u>8.723.475</u> | <u>11.276.574</u> | <b>Total liabilities and equity</b>              |       | <u>8.723.475</u> | <u>11.276.574</u> |

The notes are an integral part of the consolidated financial statements.

# Banco Sumitomo Mitsui Brasileiro S.A.

## Income Statement

Years ended December 31, 2025 and 2024

(In thousands of Reais)

|                                                                | Notes | 2025               | 2024             |
|----------------------------------------------------------------|-------|--------------------|------------------|
| Interest income calculated using the effective interest method | 17    | 801.265            | 552.461          |
| Other interest income                                          | 18    | 288.774            | 370.459          |
| Interest and similar expenses                                  | 19    | (282.196)          | (306.183)        |
| <b>Net interest and similar income</b>                         |       | <u>807.843</u>     | <u>616.737</u>   |
| <b>Net commission income</b>                                   |       | <u>86.721</u>      | <u>116.003</u>   |
| Net revenue from commissions and service provision             | 20    | 86.721             | 116.003          |
| <b>Other operating revenues (expenses)</b>                     |       | <u>(1.362.223)</u> | <u>(958.471)</u> |
| Gains (losses) from financial instruments                      | 21    | (765.891)          | 423.128          |
| Exchange variations (net)                                      | 22    | 58.429             | 311.662          |
| Provision for impairment                                       | 8f    | (785.997)          | (400.735)        |
| Personnel expenses                                             | 23    | (151.843)          | (137.194)        |
| Administrative expenses                                        | 24    | (69.932)           | (68.525)         |
| Tax expenses                                                   | 25    | (26.320)           | (35.168)         |
| Depreciation and amortization                                  |       | (3.935)            | (4.637)          |
| Other operating revenues                                       | 26    | 391.252            | 15.078           |
| Other operating expenses                                       | 27    | (7.986)            | (1.062.080)      |
| <b>Income before taxation and profit sharing</b>               |       | <u>(467.659)</u>   | <u>(225.731)</u> |
| Income tax and social contribution - current                   | 15e   | (3.567)            | (109.406)        |
| Income tax and social contribution - deferred                  | 15d   | 203.401            | 275.942          |
| Statutory interests                                            |       | (7.463)            | -                |
| <b>Net loss for the year</b>                                   |       | <u>(275.288)</u>   | <u>(59.195)</u>  |
| <b>Net loss per share - Basic and diluted</b>                  |       | (154)              | (35)             |
| <b>Number of shares outstanding - basic</b>                    |       | 1.785.999          | 1.675.699        |

The notes are an integral part of the consolidated financial statements.

# Banco Sumitomo Mitsui Brasileiro S.A.

## Statements of comprehensive income

Years ended December 31, 2025 and 2024

*(In thousands of Reais)*

|                                                                          | 2025             | 2024            |
|--------------------------------------------------------------------------|------------------|-----------------|
| <b>Loss for the years</b>                                                | (275.288)        | (59.195)        |
| <b>Comprehensive income that will be reclassified to loss:</b>           | <u>(9.008)</u>   | <u>27.581</u>   |
| <b>Adjustment to actuarial liabilities</b>                               |                  |                 |
| Change in fair value                                                     | (7.673)          | (10.036)        |
| Deferred taxes                                                           | 3.453            | 4.516           |
| <b>Gains and Losses - Hedge</b>                                          |                  |                 |
| Change in fair value - Gains and Losses - Hedge                          | (8.705)          | 60.184          |
| Deferred taxes                                                           | 3.917            | (27.083)        |
| <b>Comprehensive income that will not be reclassified to net income:</b> | <u>(5.312)</u>   | <u>12.950</u>   |
| <b>Equity valuation adjustments</b>                                      |                  |                 |
| Change in fair value                                                     | (9.658)          | 23.545          |
| Tax effect                                                               | 4.346            | (10.595)        |
| <b>Comprehensive income for the years</b>                                | <u>(289.608)</u> | <u>(18.664)</u> |

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The notes are an integral part of the consolidated financial statements.

## Banco Sumitomo Mitsui Brasileiro S.A.

### Statements of changes in equity

Years ended December 31, 2025 and 2024

(In thousands of Reais)

| Notes                                                 | Realized capital | Profit reserves |                  | Other comprehensive income |                          |                                      |                                                 | Accumulated Losses | Total            |
|-------------------------------------------------------|------------------|-----------------|------------------|----------------------------|--------------------------|--------------------------------------|-------------------------------------------------|--------------------|------------------|
|                                                       |                  | Legal           | Statutory        | Own                        | Gains and losses - Hedge | Adjustments to actuarial liabilities | Foreign exchange adjustments investments abroad |                    |                  |
| <b>Balances on December 31, 2023</b>                  | 1.559.699        | 42.390          | 610.057          | 17                         | 19.039                   | (21.636)                             | 17.275                                          | -                  | 2.226.841        |
| Capital Increase                                      | 116.000          | -               | -                | -                          | -                        | -                                    | -                                               | -                  | 116.000          |
| Dividends not distributed                             | -                | -               | -                | -                          | -                        | -                                    | -                                               | -                  | -                |
| Adjustment to fair value – securities and derivatives | -                | -               | -                | 75                         | (5.022)                  | -                                    | -                                               | -                  | (4.947)          |
| Adjustments - actuarial liabilities                   | -                | -               | -                | -                          | -                        | 2.559                                | -                                               | -                  | 2.559            |
| Foreign exchange adjustments for investments abroad   | -                | -               | -                | -                          | -                        | -                                    | 12.875                                          | -                  | 12.875           |
| Loss for the year                                     | -                | -               | -                | -                          | -                        | -                                    | -                                               | (59.195)           | (59.195)         |
| Allocations:                                          | -                | 5.761           | (217.156)        | -                          | -                        | -                                    | -                                               | 59.195             | (152.200)        |
| Legal reserve                                         | -                | 5.761           | -                | -                          | -                        | -                                    | -                                               | (5.761)            | -                |
| Statutory reserve                                     | -                | -               | (64.956)         | -                          | -                        | -                                    | -                                               | 64.956             | -                |
| Interest on equity                                    | -                | -               | (152.200)        | -                          | -                        | -                                    | -                                               | -                  | (152.200)        |
| <b>Balances as of December 31, 2024</b>               | <b>1.675.699</b> | <b>48.151</b>   | <b>392.901</b>   | <b>92</b>                  | <b>14.017</b>            | <b>(19.077)</b>                      | <b>30.150</b>                                   | <b>-</b>           | <b>2.141.933</b> |
| <b>Changes for the year</b>                           | <b>116.000</b>   | <b>5.761</b>    | <b>(217.156)</b> | <b>75</b>                  | <b>(5.022)</b>           | <b>2.559</b>                         | <b>12.875</b>                                   | <b>-</b>           | <b>(84.908)</b>  |
| <b>Balances as of December 31, 2024</b>               | <b>1.675.699</b> | <b>48.151</b>   | <b>392.901</b>   | <b>92</b>                  | <b>14.017</b>            | <b>(19.077)</b>                      | <b>30.150</b>                                   | <b>-</b>           | <b>2.141.933</b> |
| Capital increase                                      | 110.300          | -               | -                | -                          | -                        | -                                    | -                                               | -                  | 110.300          |
| Adjustment to fair value – securities and derivatives | -                | -               | -                | -                          | (4.788)                  | -                                    | -                                               | -                  | (4.788)          |
| Adjustment - actuarial liabilities                    | -                | -               | -                | -                          | -                        | (4.220)                              | -                                               | -                  | (4.220)          |
| Foreign exchange adjustments - investments abroad     | -                | -               | -                | -                          | -                        | -                                    | (5.312)                                         | -                  | (5.312)          |
| Accumulated Losses                                    | -                | -               | -                | -                          | -                        | -                                    | -                                               | (275.288)          | (275.288)        |
| Allocation:                                           | -                | -               | (275.288)        | -                          | -                        | -                                    | -                                               | 275.288            | -                |
| Legal reserve                                         | -                | -               | -                | -                          | -                        | -                                    | -                                               | -                  | -                |
| Statutory reserve                                     | -                | -               | (275.288)        | -                          | -                        | -                                    | -                                               | 275.288            | -                |
| Interest on equity                                    | -                | -               | -                | -                          | -                        | -                                    | -                                               | -                  | -                |
| <b>Balances as of December 31, 2025</b>               | <b>1.785.999</b> | <b>48.151</b>   | <b>117.613</b>   | <b>92</b>                  | <b>9.229</b>             | <b>(23.297)</b>                      | <b>24.838</b>                                   | <b>-</b>           | <b>1.962.625</b> |
| <b>Changes for the year</b>                           | <b>110.300</b>   | <b>-</b>        | <b>(275.288)</b> | <b>-</b>                   | <b>(4.788)</b>           | <b>(4.220)</b>                       | <b>(5.312)</b>                                  | <b>-</b>           | <b>(179.308)</b> |

The notes are an integral part of the financial statements.

## Banco Sumitomo Mitsui Brasileiro S.A.

### Statements of cash flow

Years ended December 31, 2025 and 2024

(In thousands of Reais)

|                                                                 | 2025                   | 2024                   |
|-----------------------------------------------------------------|------------------------|------------------------|
| <b>Cash flow from operating activities</b>                      |                        |                        |
| <b>Loss for the years</b>                                       | (275.288)              | (59.195)               |
| <b>Adjustments included that do not affect cash flow:</b>       |                        |                        |
| Depreciation and Amortization                                   | 4.883                  | 4.637                  |
| Provision (reversal) for contingencies                          | 2.541                  | -                      |
| Provision for impairment                                        | 785.997                | 400.735                |
| Deferred taxes                                                  | (203.401)              | (275.942)              |
| Provision for Income Tax and Social Contribution                | 3.567                  | 109.676                |
| Fair value adjustment - Securities and derivatives              | 323.211                | -                      |
| Other Provisions/(Reversals)                                    | 93                     | -                      |
|                                                                 | <hr/>                  | <hr/>                  |
| <b>Net income before changes in working capital</b>             | 641.602                | 179.911                |
| <b>Change in:</b>                                               |                        |                        |
| Deposits linked to the Central Bank                             | -                      | 660                    |
| Marketable securities and derivative financial instruments      | (637.440)              | (952.181)              |
| Interbank deposits investments                                  | 1.614.883              | 125.468                |
| Loans and receivables from clients                              | 260.233                | (974.732)              |
| Other assets                                                    | (88.764)               | (142.630)              |
| Deferred income tax and social contribution                     | (205.591)              | 12.099                 |
| Deposits from clients                                           | (377.509)              | (359.154)              |
| Open market funding                                             | 181.352                | (15.009)               |
| Proceeds from acceptance and issue of securities                | 407.474                | 65.897                 |
| Interbranch relationships                                       | 236.285                | 4.704                  |
| Exchange portfolio transactions                                 | 623.766                | -                      |
| Securities trading and intermediation                           | 51.702                 | -                      |
| Provisions                                                      | -                      | 315                    |
| Debtors from escrow deposits                                    | -                      | (51)                   |
| Taxes to offset                                                 | -                      | (974)                  |
| Income tax and social contribution paid                         | (98.937)               | (90.810)               |
| Other obligations                                               | (175.255)              | 282.647                |
|                                                                 | <hr/>                  | <hr/>                  |
| <b>Net cash from (used in) operating activities</b>             | 2.433.800              | (1.863.840)            |
| <b>Cash flows from investing activities:</b>                    |                        |                        |
| Disposal/acquisition of tangible assets                         | (12.931)               | (946)                  |
| Investments in intangible assets                                | (2.335)                | (4.416)                |
|                                                                 | <hr/>                  | <hr/>                  |
| <b>Net cash from (used in) investing activities</b>             | (15.267)               | (5.362)                |
| <b>Cash flows from financing activities:</b>                    |                        |                        |
| Capital increase                                                | 110.300                | 116.000                |
| Payment of interest on equity                                   | (133.175)              | (149.700)              |
| Proceeds from/ (Payment) of obligations for loans and relending | (2.751.300)            | 3.017.959              |
| Payment of financial lease liabilities                          | -                      | (2.612)                |
|                                                                 | <hr/>                  | <hr/>                  |
| <b>Net cash from (used in) financing activities</b>             | (2.774.175)            | 2.981.647              |
| <b>Net increase (decrease) in cash and cash equivalents</b>     | <hr/> <b>(355.642)</b> | <hr/> <b>1.112.445</b> |
| Cash and cash equivalents at the beginning of the year          | 1.182.127              | 2.065.653              |
| Cash and cash equivalents at the end of the year                | <hr/> <b>826.485</b>   | <hr/> <b>3.178.098</b> |
| <b>Net increase (decrease) in cash and cash equivalents</b>     | <hr/> <b>(355.642)</b> | <hr/> <b>1.112.445</b> |

The notes are an integral part of the financial statements.

## **Notes to the consolidated financial statements**

*(Amounts in thousands of Reais)*

### **1 Operations**

Banco Sumitomo Mitsui Brasileiro S.A. (“Bank”) is established as a multiple service bank, authorized to operate commercial portfolios, including exchange operations and investment portfolios. The Bank is a wholly owned subsidiary of our parent company, SMBC Tokyo - Japan.

The consolidated IFRS Banco Sumitomo (“SMBCB” or “Consolidated”) comprises Banco Sumitomo Mitsui Brasileiro S.A. and SMBCB Onshore Fundo de Investimento Multimercado Investimento no Exterior (“SMBCB Onshore”), in which the Bank is an exclusive shareholder.

### **2 Bases of preparation**

#### **a. Statement of compliance**

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (“IFRS”), issued by the International Accounting Standards Board (“IASB”), and the interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

The Board authorized the issuance of the consolidated financial statements on March 31, 2026.

#### **b. Use of estimates and judgments**

In the process of preparing the consolidated financial statements, Management exercised its best judgment and used estimates to calculate certain amounts recognized in these statements:

##### ***Going concern***

Management has assessed SMBCB’s ability to continue as a going concern and is convinced that it has the resources to continue operating in the future. Additionally, Management is not aware of any material uncertainty that could generate significant doubts about its ability to continue as a going concern and, therefore, the consolidated financial statements were prepared considering this principle.

##### ***Fair value of financial instruments***

The fair value of financial assets and liabilities recorded in the statement of financial position were either derived from prices quoted in an active market or determined using mathematical models for pricing.

##### ***Measurement of provisions for expected losses***

Measuring the provision for expected credit losses requires the use of complex models and significant assumptions about future economic conditions and credit behavior. Several significant judgments are necessary when applying accounting requirements to measure expected losses, such as:

- Determination of criteria for a significant increase in credit risk;
- Appropriate choice of models and assumptions for measuring expected losses;
- Establishment of groups of similar financial assets for the purpose of measuring expected losses.

### ***Deferred taxes***

Deferred taxes are recognized on tax losses and temporary differences to the extent that it is probable that taxable income will be available in the period in which the losses can be used. Judgment is required to determine the amount of future deferred tax assets that should be recognized, based on the likely flow of future taxable income, and in conjunction with tax planning strategies, if any.

### ***Contingent assets and liabilities***

Represented by potential rights and obligations arising from past events and whose occurrence depends on future events.

Contingent assets - They are not recognized, except when there is evidence that ensures their realization.

Contingent liabilities - Basically arise from judicial and administrative proceedings, inherent to the normal course of business filed by third parties in civil, labor, tax and social security actions and other risks.

### ***New accounting standards and interpretations that are not yet effective***

A series of new accounting standards will be effective for years beginning after January 1, 2025. The Bank has not adopted the following accounting standards in preparing the financial statements.

#### **a. IFRS 18 Presentation and Disclosure of the Financial Statements**

IFRS 18 will replace IAS 1 Presentation of the Financial Statements, and it is applicable to annual reporting periods beginning on or after January 1, 2027. The new standard presents the following new key requirements:

- The entities must record their revenues and expenses in five categories in the statement of profit and loss, to wit, the operational, investment, financing, discontinued operations and income tax categories. The entities must also present a newly defined operational income subtotal. The net income of the entities will not change.
- The performance measures defined by management (MPMs) are disclosed in a single note to the financial statements.
- Enhanced guidance is supplied about how to gather the information contained in the financial statements.
- Additionally, all entities must use the operational income subtotal as basis for the statement of cash flows, when presenting the operational cash flows according to the indirect method.

The Bank is still analyzing the impact of the new standard, particularly regarding the structure of the Bank's statement of profit or loss, statement of cash flows and the additional disclosures required for MPMs. The Bank is also analyzing the impact of how the information is grouped in the financial statements, including the items that are currently classified in "others."

**b. Other Accounting Standards**

The following new or altered standards are not expected to have material impact on the Bank's consolidated financial statements:

- Lack of exchangeability (amendments to IAS 21);
- Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)

**3 Material accounting policies**

**a. Functional currency and foreign currency transactions**

The results and financial position of SMBCB is expressed in Reais, which is the functional and presentation currency of the consolidated financial statements.

Exchange rate variations resulting from the conversion of balances in foreign currency into the functional currency are generally recognized at their net value as "Foreign Exchange Differences (Net)" in the statements of profit or loss, with the exception of exchange rate variations arising from financial instruments at fair value through profit or loss, which are recognized in the statements of profit or loss as "Gains (losses) on financial assets (net)" without distinguishing them from other changes in fair value.

The effects of exchange rate variation resulting from the conversion of transactions in foreign currency and financial statements of investees abroad are recorded in separate accounts of shareholders' equity in accordance with IAS 21.

**b. Financial instruments**

The classification and measurement of SMBCB's financial instruments are carried out in accordance with IFRS 9 and described below:

**(i) Initial recognition**

***Recognition date***

A financial asset or liability, apart from loans and deposits from clients, is recognized in the statement of financial position when SMBCB becomes part of the instrument's contractual provisions, which generally occurs on the negotiation date.

Loans and advances to clients are recognized when cash is transferred to borrowers.

Deposits from clients are recognized when clients transfer funds to SMBCB.

### ***Initial measurement of financial instruments***

The classification of financial instruments upon initial recognition depends on their contractual terms and the business model used by SMBCB in managing its instruments.

Financial instruments are initially measured at their fair value and, except in the case of financial assets or liabilities recorded at fair value through profit or loss, the costs attributable to the transaction are added to, or subtracted from, this value.

## ***(ii) Classification and measurement of financial instruments***

### ***a. Business model assessment***

SMBCB classifies its financial assets based on the business model used to manage these assets and their contractual terms, resulting in them being measured (i) at amortized cost, (ii) at fair value through other comprehensive income (FVOCI) and (iii) fair value through profit or loss (FVPL).

SMBCB classifies and measures its trading portfolio and derivative instruments at FVPL.

Financial liabilities, other than those related to loan commitments, are measured at amortized cost or FVPL when held for trading and derivative instruments or fair value designation is applied.

### ***b. SPPJ Test (“Payment of Principal and Interest Only”)***

As a second step in the classification process, SMBCB assesses the contractual terms of financial assets to verify whether they have cash flows that represent only payments of principal and interest, meeting the SPPJ test (Solely Payments of Principal and Interest).

“Principal”, for this test, is defined as the fair value of the financial asset at initial recognition and which may change throughout its life (for example, if there are payments of principal).

The most significant elements of interest in a basic loan agreement are consideration for the time value of money and credit risk. To apply the SPPJ test, SMBCB carries out judgment and considers relevant factors, such as, for example, the currency in which the financial asset is denominated and the period for which the interest rate is defined.

In contrast, contractual terms that introduce material exposure to volatility risks in contractual cash flows that are not related to a basic loan agreement do not give rise to cash flows that represent only payments of principal and interest. In these cases, the financial asset must be measured at fair value through profit or loss.

### ***Financial instruments at amortized cost***

A financial asset, provided it is not designated at fair value through profit or loss upon initial recognition, is measured at amortized cost if both of the following conditions are met:

It is maintained within a business model whose objective is to hold assets with the aim of obtaining contractual cash flows; and

The contractual terms of the financial asset represent contractual cash flows that represent only payments of principal and interest.

Amortized cost is the amount at which a financial asset or financial liability is measured at initial recognition less principal repayments, plus or less the accumulated amortization using the effective interest rate method of any difference between that initial amount and the maturity date amount and, for financial assets, adjusted for any provision for losses.

The effective interest rate is the rate that discounts exactly the estimated future cash payments or receipts over the expected life of the financial asset or financial liability to the gross carrying value of a financial asset (that is, its amortized cost before any provision for impairment) or the amortized cost of a financial liability. The calculation does not consider expected credit losses and includes transaction costs, premiums or discounts, and fees or receipts that are an integral part of the effective interest rate, such as origination fees.

Interest income from financial assets measured at amortized cost is included in “Interest income”, using the effective interest rate method.

Financial liabilities are classified as measured subsequently at amortized cost, except for financial liabilities at fair value through profit or loss. This classification is applied to derivatives and, when applicable, to liabilities designated at initial recognition.

#### ***Financial instruments at fair value through profit or loss***

Items at fair value through profit or loss comprise items held for trading and items designated at fair value through profit or loss on initial recognition. Furthermore, in accordance with IFRS 9, debt instruments with contractual terms that do not only represent payments of principal and interest are also measured at fair value through profit or loss.

Financial instruments measured at fair value through profit or loss are initially recognized at fair value, with transaction-related costs recognized in profit or loss when incurred. Subsequently, these instruments are measured at fair value, and any gains or losses are recognized in profit or loss as they are determined.

When a financial asset is measured at fair value, a credit valuation adjustment is included to reflect the credit quality of the counterparty, representing changes in fair value attributable to credit risk.

When financial liability is designated at fair value through profit or loss, the change in fair value attributable to changes in the credit quality of SMBCB is presented in other comprehensive income.

Derivative instruments are measured at FVPL and recorded as financial assets when their fair value is positive and as financial liabilities when their fair value is negative. Derivatives that are collateralized and that are settled daily at their net amount through a clearinghouse (for example, futures transactions) are recorded at the amount pending settlement from one day to the next.

#### ***Financial instruments at fair value through other comprehensive income - equity instruments***

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay (cash or any other financial asset to another entity) and that demonstrate a residual interest in the issuer's equity.

SMBCB may make an irrevocable option to present in other comprehensive income changes in the fair value of investments in equity instruments that are not held for trading and are not a contingent consideration recognized by SMBCB in a business combination.

In this case, the balances recognized in other comprehensive income are not subsequently transferred to profit or loss. Only dividends received from these investments are recognized in profit or loss.

***Financial instruments at fair value through other comprehensive income - debt instruments***

Debt instruments are instruments that meet the definition of financial liability from the issuer's perspective, such as loans, public and private securities. The classification and subsequent measurement of debt instruments depend on the business model for managing the asset and the cash flow characteristics of the asset.

Investments in debt instruments are measured at fair value through other comprehensive income (FVOCI) when they:

Have contractual terms that originate cash flows on specific dates, which represent only payments of principal and interest on the outstanding principal balance; and

Are maintained in a business model whose objective is achieved both by obtaining contractual cash flows and by selling them.

These debt instruments are initially recognized at fair value plus directly attributed transaction costs and subsequently measured at fair value. Gains and losses arising from changes in fair value are recorded in other comprehensive income. The result of impairment losses, interest in income and gains and losses from exchange rate variations are recorded in profit or loss. Upon settlement of the debt instrument, gains or losses accumulated in other comprehensive income are reclassified to profit or loss.

Measurement of impairment is carried out based on the three-stage model of expected losses, as described in note 3 (c).

***(iii) Fair value hierarchy***

Fair value is the value for which an asset can be sold, or a liability settled, between independent interested parties with knowledge of the business, under competitive and normal market conditions, on the valuation date.

Financial instruments are measured according to the fair value hierarchy described below:

**Level 1:** Market prices (quoted not adjusted) in active markets for identical assets or liabilities. They include government securities, shares of listed companies, long/short positions, futures and shares of investment funds with immediate liquidity.

**Level 2:** Valuation techniques for which the lowest level and most significant information for measuring fair value is directly or indirectly observable. They include over-the-counter derivatives and investment fund shares without immediate liquidity.

**Level 3:** Valuation techniques for which the lowest level and most significant information for measuring fair value is not available.

**(iv) *Reclassification of financial instruments***

SMBCB does not reclassify its financial assets after their initial recognition, other than in exceptional circumstances in which it starts, sells or closes a line of business. In these cases, reclassification occurs from the beginning of the first reporting period following the change. These changes are expected to be very infrequent. Financial liabilities are never reclassified.

**(v) *Derecognition of financial assets and liabilities***

**Derecognition due to substantial changes in contractual terms and conditions**

SMBCB derecognizes a financial asset, such as, for example, a loan granted to a client, when the terms and conditions of the transaction are renegotiated to an extent that substantially makes it a new operation, with the difference being recognized in the income for the year as derecognition gains or losses.

The new recognized transaction is classified as Stage 1 for the purpose of measuring its expected losses, unless it is determined to be a transaction originating with credit recovery problems.

If the renegotiation does not result in substantially different cash flows, the modification does not cause derecognition of the transaction. Considering the change in cash flows discounted at the transaction's original effective interest rate, SMBCB recognizes a modification gain or loss.

**Derecognition of financial assets**

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive cash flows from the assets have expired or become uncollectible, or if they have been transferred to third parties and (i) SMBCB transfers substantially all the risks and benefits of ownership, or (ii) SMBCB does not transfer, does not retain substantially all of the risks and benefits of ownership and no longer has control of the transferred asset. Derecognition is carried out by SMBCB when the financial asset becomes more than 360 days overdue.

**Derecognition of financial liabilities**

Financial liability is derecognized when the obligation related to that liability is forgiven, canceled or expired.

When an existing financial liability is replaced by another of the same counterparty with different terms or the terms of the existing liability are substantially modified, such exchange or modification is treated as derecognition of the original liability and recognition of a new liability. The difference between the carrying value of the original liability and the amount paid is recognized in profit or loss.

**c. *Provision for expected credit losses***

### ***Overview of the principles used in determining expected losses***

SMBCB records a provision for expected losses (PE) for its loans, advances to clients and collaterals settled, other debt instruments not measured at FVPL and for the credit limits granted and not used, which in this section will all be considered as “financial instruments”.

The PE provision is based on the expectation of credit losses arising over the useful life of the asset (expected lifetime loss or PE Life), unless there has not been a significant increase in credit risk since its origination, in which case the provision is based on expected losses for 12 months (12-month PE).

The 12-month PE is the portion of the PE Life that represents the expected losses arising from default events that are possible to occur within 12 months after the base date of the consolidated financial statements.

The 12-month PE and the PE Life are calculated on both an individual and collective basis, depending on the nature of the portfolio of financial instruments.

SMBCB has established a policy of assessing, at the end of each period of disclosure of its consolidated financial statements, whether the credit risk of a financial instrument has increased significantly since its initial recognition, considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, SMBCB distributes its financial instruments into stages (Stage 1, Stage 2 and Stage 3), as described below:

**Stage 1:** Transactions that do not pose a significant increase in credit risk regarding the initial date of the transaction. In this case, the loss is expected based on the calculation for a future life window (PD [probability of default] for the remaining term of the transaction) limited to 12 months (PD 12 months).

**Stage 2: Transactions with** significant increase in credit risk in relation to the initial date of the transaction. In this case, the expected loss is based on the calculation for a future life window (PD for the remaining term of the transaction, composing at least the PD12 months).

**Stage 3:** Transactions with evidence of loss or difficult credit recovery. In this case, the expected loss is based on the calculation for a future life window, however the PD, in this case, is 100%, considering that ‘stage 3’ means ‘default.’

***(i) Calculation of expected losses***

SMBCB calculates PE to measure the expected cash shortage, discounted to present value. A cash shortage is the difference between the cash flows owed to an entity under the transaction contract and the cash flows that the entity expects to receive.

The PE calculation mechanisms are described below and their main elements are:

Probability of default (*PD*): is an estimate of the probability of default over a certain time horizon.

Exposure at default (*EAD*): is an estimate of exposure at the future date of default, considering expected changes in exposure after the base date of the consolidated financial statements, including payments of principal and interest, use of limits and interest calculated on payments not made.

Loss given default (*LGD*): is an estimate of loss arising in the event of default occurring at a certain time. It is based on the difference between the contractual cash flows due and the flows that the entity expects to receive, including those arising from the realization of guarantees. It is usually expressed as a percentage of the EAD.

The maximum period for which credit losses are determined is the contractual term of the financial instrument, unless SMBCB has the legal right to early settlement.

The mechanisms for determining PE are described below:

**Stage 1:** SMBCB calculates the 12-month PE provision based on the expected occurrence of default in the 12 months following the reporting date. These probabilities of default occurring in 12 months are applied to the EAD forecast and multiplied by the expected LGD discounted to present value.

**Stage 2:** In the event of a significant increase in credit risk since its origination, SMBCB recognizes a PE Life provision. The mechanisms are like those explained above, but the PDs and LGDs are estimated over the life of the instrument. The expected cash shortage is discounted to present value.

**Stage 3:** for transactions considered to have recovery problems, SMBCB recognizes the expected credit losses throughout the life of these transactions. The method is like that used for Stage 2 operations; however, the PD is determined at 100%.

**Credit limits:** when estimating the PE Life for unused credit limits, SMBCB estimates the portion of the granted limit that will be used throughout its life. The PE is then based on the present value of the shortage of cash flows if the limit is used. The expected cash shortage is discounted to present value.

***(ii) Debt instruments measured at FVOCI***

The PE of debt instruments measured at FVOCI does not reduce the carrying value of these financial assets on the statement of financial position, which remains at fair value. Instead, an amount equal to the provision that would arise if the assets were measured at amortized cost is recognized in other comprehensive income against profit or loss. The accumulated loss

recognized in other comprehensive income is transferred to profit or loss when the assets are derecognized.

**d. Repo transactions**

Purchases of financial assets based on a non-optional resale contract at a fixed price are recognized in the statement of financial position as financing granted, based on the nature of the debtor, under “Investments in repo transactions”. If the term of investments in repo transactions is less than 90 days, disclosure is made under the heading “Cash and Cash Equivalents.”

**e. Property and equipment**

Property and equipment include data processing systems, communication systems, facilities and furniture and equipment for use owned by the Bank, being presented at acquisition cost less the respective accumulated depreciation and any loss due to impairment (net carrying value exceeding recoverable value).

Such assets are initially recognized at acquisition cost plus all incremental costs necessary to place the asset in a suitable location and condition of use, with costs subsequently incurred with these assets being immediately recognized under “other administrative expenses”.

Depreciation is determined by the straight-line method based on the estimated useful life of 5 years for data processing systems, and 10 years for communication systems, facilities and furniture and equipment for use.

The Bank assesses, at the base date of the financial information, whether there is any indication that an asset may be impaired (that is, its carrying value exceeds its recoverable value).

If such a situation occurs, the carrying value of the asset is reduced to its recoverable value and future depreciation expenses are adjusted in proportion to the revised carrying value and the new remaining useful life (if the useful life needs to be re-estimated).

**f. Intangible Assets**

Intangible assets represent identifiable assets (separable from other assets) without physical substance that result from a legal right or other type of contract that gives the Bank effective control of the asset or that are developed internally by the Bank. Only assets whose cost can be reliably estimated and from which the Bank considers the generation of future economic benefits to be likely are recognized.

Intangible assets are initially recognized at acquisition or production cost, plus the costs to bring them into use. These assets are subsequently measured at acquisition cost less any accumulated amortization and impairment.

They are substantially composed of software purchased from external suppliers. These expenses are amortized over the license period for the software.

**g. Provisions and contingent assets and liabilities**

Management, when preparing their consolidated financial statements, make a distinction between:

**Provisions:** credit balances representing present obligations (legal or presumed) at the balance sheet date resulting from past events whose occurrence is considered probable and whose nature is certain, although the value and/or timing are uncertain.

**Legal obligations:** derive from legally or contractually established obligations, arising from past events, substantially represented by tax obligations whose legality and the constitutionality of the laws that created them are being challenged in court.

**Contingent liabilities:** possible obligations that originate from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events that are not fully under the Bank's control. They include the Bank's present obligations, if it is not probable that an outflow of funds will be necessary for their settlement.

**Contingent assets:** assets originating in past events and whose existence depends on, and will only be confirmed by, the occurrence or non-occurrence of future events that are not fully under the Bank's control. Contingent assets are not recognized in the statement of financial position, but are disclosed in the notes, except when it is probable that these assets will give rise to an increase in resources that incorporate economic benefits.

SMBCB's consolidated financial statements include all substantial provisions regarding which there is high possibility that the obligation will have to be settled. According to accounting standards, contingent liabilities should not be recognized in the consolidated financial statements but rather disclosed in the notes.

Provisions are used to meet the specific obligations for which they were originally recognized. Such provisions are set up based on the best information available about the events that gave rise to them and are reviewed and adjusted (when necessary) at the end of the period. Provisions are totally or partially reversed when these obligations cease to exist or are reduced.

**h. Recognition of revenues and expenses**

The most significant criteria used by the Bank to recognize its revenues and expenses are summarized below:

**(i) Interest income and expenses**

Interest and similar income and expenses, commissions paid or received that are components of the expected return of the transaction and all inherent costs linked to the origination of the asset or the raising of the liability are recognized in profit or loss over the term of the financial instruments originated (accrual basis) through the use of the effective interest rate method.

**(ii) Dividend income**

Dividends received from investments not considered to be affiliates or subsidiaries are recognized as income when the right to receive them originates to the Bank (decision of the Executive Board).

**(iii) Commissions and similar items**

Commission revenues and expenses are recognized in the statements of profit or loss using criteria that vary according to the characteristics of the transactions that gave rise to them. The main criteria are the following:

Revenues and expenses from fees and commissions, relating to financial assets and financial liabilities measured at fair value through profit or loss, are recognized in profit or loss when paid;

Revenues or expenses received or paid because of the provision of services are recognized on a straight-line basis over the period during which these services are provided;

Revenues and expenses received or paid because of the provision of services whose amount is uncertain or whose establishment of the right to receive or pay is conditional on one or more future events where the occurrence is uncertain are recognized in a single act when the amount receivable becomes known or when the future event actually comes to fruition.

**i. Income taxes**

Income tax is calculated at the base rate of 15% on taxable income, plus a surtax of 10% on taxable income more than R\$240 in the year. The social contribution on net income was calculated considering the rate of 20%, after making the adjustments determined by tax legislation.

In accordance with the provisions of current regulations, the expectation of realizing SMBCB tax credits is based on projections of future results and based on a technical study.

The expected recovery of tax credits is ten (10) years. Offset depends on the nature of the credit generated, arising from tax losses, negative basis and temporary non-deductible differences, comprising a provision for expected losses and fair value of financial instruments.

The setup, realization or maintenance of tax credits are assessed periodically, taking as a parameter the generation of taxable income for income tax and social contribution purposes in an amount that justifies the realization of such amounts.

Income tax expense is recognized in the statements of profit or loss, except when it results from a transaction recognized directly in equity, in which case the tax effect will also be recognized in equity.

Deferred tax assets and liabilities include temporary differences, identified as: amounts payable or recoverable on differences between the carrying values of assets and liabilities and their respective calculation bases. These amounts are measured at the rates expected to apply in the period in which the asset is realized or the liability is settled.

Deferred tax assets are only recognized for temporary differences to the extent that it is considered probable that SMBCB will have sufficient future taxable income against which the deferred tax assets can be utilized, and the deferred tax assets do not result from initial recognition (except in a business combination) of other assets and liabilities in an operation that does not affect either taxable income or accounting income.

Recognized deferred tax assets and liabilities are reassessed at each balance sheet date in order to determine whether they still exist, making appropriate adjustments based on the findings of the analyzes carried out.

**j. Financial guarantees**

Financial guarantees are defined as contracts by which an entity undertakes to make specific payments on behalf of a third party if the latter fails to do so, regardless of the various legal forms they may have, such as collateral, irrevocable documentary credits issued or confirmed by the entity, among others.

Financial guarantees, regardless of the guarantor or other circumstances, are reviewed periodically to determine the credit risk to which they are exposed and, as appropriate, to consider whether a provision is necessary. Credit risk is determined by applying criteria similar to those established for quantifying losses due to impairment of financial instruments valued at amortized cost.

**k. Employee Benefits Plan**

The post-employment benefits plan comprises the commitment made by SMBCB to complement the benefits of the social security system.

***Defined Benefit Plan***

For this type of plan, the Sponsor's obligation is to provide the benefits agreed with the employees, assuming the potential actuarial risk that the benefits will cost more than expected.

The present value of a defined-benefit obligation is the present value, without deducting any plan assets, of the expected future payments necessary to settle the obligation resulting from the employee's service in the current and past periods.

Actuarial gains and losses are changes in the present value of the defined-benefit obligation resulting from: (a) adjustments for experience (effects of differences between the actuarial assumptions adopted and what occurred); and (b) effects of changes in actuarial assumptions.

Full recognition is carried out in a liability account when unrecognized actuarial losses (actuarial deficit) occur, against an equity account ("Other Comprehensive Income").

Defined-benefit plans are registered based on an actuarial study carried out annually by an external consultancy, at the end of each year, effective for the subsequent period.

**l. Statements of cash flow**

The following terms are used in the statements of cash flow with the following meanings:

**Cash and cash equivalents:** are represented by cash in local currency or foreign currency, investments in repo transactions and interbank deposits investments, where maturity of the operations on the effective date of the investment is equal to or less than 90 days and present an insignificant risk of change in fair value, being used to manage short-term commitments.

**Cash flows:** are inflows and outflows of cash and cash equivalents.

**Operating activities:** these are the Bank's main revenue-generating activities and others that are not financing or investing in activities.

**Investing activities:** are the acquisition and disposal of long-term receivables and other investments not included in cash equivalents.

**Financing activities:** these are activities that result in changes in the size and composition of the Bank's equity and indebtedness.

**m. Lease**

At the beginning of an agreement, the Bank analyzes whether the agreement is, or contains, a lease. An agreement is a lease, or contains a lease, if it transfers the right to control the use of an identified asset for a given period in exchange for consideration.

***As lessee***

The Bank is a lessee of real property (underlying assets) for performance of its commercial activities. The initial recognition occurs upon the signature of the agreement, in the item "Lease liabilities," which corresponds to total future payments at present value, against the item "Furniture and equipment for use," depreciated in a straight-line manner, for the term of the lease, and tested annually to identify any impairment. Financial expenses corresponding to interest on lease liabilities are recorded in item "Interest and similar expenses."

***Lease of assets with low value and short-term leases***

The Bank decided not to record right-of-use assets and lease liabilities for leases of assets with low value and short-term leases. The Bank records the payment of leases relating to these leases as expense, using a straight-line method, for the term of the lease.

## 4 Cash and cash equivalents

|                                               | <u>2025</u>    | <u>2024</u>      |
|-----------------------------------------------|----------------|------------------|
| <b>Cash and cash equivalents</b>              |                |                  |
| Cash and cash equivalents in local currency   | 806            | 31,327           |
| Cash and cash equivalents in foreign currency | 45,283         | 11,904           |
| <b>Interbank liquidity investments</b>        |                |                  |
| Investments in the open market                | -              | 1,995,996        |
| Interbank deposits                            | 525,086        | 488,686          |
| Investments in foreign currencies             | 255,310        | 650,185          |
|                                               | <u>826,485</u> | <u>3,178,098</u> |

## 5 Deposits linked to the Central Bank

|                                     | <u>2025</u>  | <u>2024</u>  |
|-------------------------------------|--------------|--------------|
| Deposits linked to the Central Bank | 1,668        | 1,853        |
|                                     | <u>1,668</u> | <u>1,853</u> |

## 6 Derivative financial instruments (assets and liabilities)

Derivative instruments composed of Swaps, *Non-Deliverable Forwards – NDFs and Futures* transactions, are held in custody at B3 S.A. - Brasil, Bolsa, Balcão, under the stock exchange and OTC modalities.

### a) Breakdown of derivative financial instruments

|                                                 | <u>2025</u> |          | <u>2024</u>                 |                             |
|-------------------------------------------------|-------------|----------|-----------------------------|-----------------------------|
|                                                 | Receivables | Payables | Contract<br>Reference Value | Contract<br>Reference Value |
| <b><u>SWAP transactions</u></b>                 |             |          |                             |                             |
| CDI x PRÉ                                       | -           | -        | -                           | 860,769                     |
| PRÉ x DOLLAR                                    | 115,985     | -        | 690,168                     | 728,687                     |
| CDI x DOLLAR                                    | 45,429      | 74,062   | 1,954,291                   | 2,420,548                   |
| PRÉ x YEN                                       | 3,152       | -        | 34,970                      | 667,191                     |
| CDI x YEN                                       | 20,850      | 1,507    | 230,133                     | 246,148                     |
| YEN x CDI                                       | -           | 362,252  | 1,837,412                   | 4,298,307                   |
| PRÉ x SOFR                                      | 46,787      | 42,128   | 2,123,662                   | 2,260,010                   |
| <b><u>NDF Transactions</u></b>                  |             |          |                             |                             |
| PRÉ x DOLLAR                                    | 13,711      | 8,146    | 1,143,402                   | 584,375                     |
| DOLLAR x PRÉ                                    | 36,956      | 21,030   | 1,613,404                   | 1,903,283                   |
| PRÉ x EURO                                      | -           | -        | -                           | 23,914                      |
| PRÉ x YEN                                       | 18,423      | -        | 90,870                      | 134,216                     |
| YEN x PRÉ                                       | -           | 1,381    | 7,233                       | 23,111                      |
| <b><u>Credit valuation adjustment (CVA)</u></b> |             |          |                             |                             |
| CVA                                             | (749)       | -        | -                           | -                           |

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**Hedge Accounting**

|                             |         |       |   |   |
|-----------------------------|---------|-------|---|---|
| (+/-) Fair Value Adjustment | (6,114) | (597) | - | - |
|-----------------------------|---------|-------|---|---|

**Debit Valuation Adjustment (DVA)**

|     |   |      |   |   |
|-----|---|------|---|---|
| DVA | - | (28) | - | - |
|-----|---|------|---|---|

**Foreign Exchange**

|                                 |        |         |           |   |
|---------------------------------|--------|---------|-----------|---|
| Exchange purchase to be settled | 884    | 136,634 | 2,509,763 | - |
| Rights on exchange sales        | 82,015 | 11,267  | 2,508,325 | - |

|              |                |                |                   |                   |
|--------------|----------------|----------------|-------------------|-------------------|
| <b>Total</b> | <u>377,329</u> | <u>657,782</u> | <u>14,743,633</u> | <u>14,150,559</u> |
|--------------|----------------|----------------|-------------------|-------------------|

**b) Breakdown of nominal value by maturity**

|                                 | <b>2025</b>          |                       |                      | <b>2024</b>       |                   |
|---------------------------------|----------------------|-----------------------|----------------------|-------------------|-------------------|
|                                 | <b>Up to 90 days</b> | <b>91 to 360 days</b> | <b>Over 360 days</b> | <b>Total</b>      | <b>Total</b>      |
| <b>SWAP Transactions</b>        |                      |                       |                      |                   |                   |
| CDI x PRÉ                       | -                    | -                     | -                    | -                 | 110,000           |
| PRÉ x CDI                       | -                    | -                     | -                    | -                 | 750,769           |
| PRÉ x DOLLAR                    | -                    | 690,168               | -                    | 690,168           | 728,686           |
| CDI x DOLLAR                    | -                    | 400,000               | 1,554,291            | 1,954,291         | 2,420,548         |
| PRÉ x YEN                       | 34,970               | -                     | -                    | 34,970            | 667,191           |
| CDI x YEN                       | 30,000               | 200,134               | -                    | 230,134           | 246,148           |
| YEN x CDI                       | 220,210              | 51,468                | 1,565,734            | 1,837,412         | 4,298,309         |
| PRÉ x SOFR                      | -                    | -                     | 2,123,661            | 2,123,661         | 2,260,009         |
| <b>NDF transactions</b>         |                      |                       |                      |                   |                   |
| PRÉ x DOLLAR                    | 818,605              | 324,797               | -                    | 1,143,402         | 584,374           |
| DOLLAR x PRÉ                    | 726,271              | 588,294               | 298,838              | 1,613,403         | 1,903,283         |
| PRÉ x EURO                      | -                    | -                     | -                    | -                 | 23,914            |
| PRÉ x YEN                       | 20,199               | 70,672                | -                    | 90,871            | 134,216           |
| PRÉ x SOFR                      | -                    | -                     | -                    | -                 | -                 |
| YEN x PRÉ                       | 3,364                | 3,869                 | -                    | 7,233             | 23,112            |
| <b>FOREIGN EXCHANGE</b>         |                      |                       |                      |                   |                   |
| Exchange purchase to be settled | 1,305,134            | 1,176,105             | 28,524               | 2,509,763         | -                 |
| Rights on exchange sales        | 1,305,755            | 1,174,045             | 28,524               | 2,508,324         | -                 |
| <b>Total</b>                    | <u>4,464,508</u>     | <u>4,679,552</u>      | <u>5,599,572</u>     | <u>14,743,632</u> | <u>14,150,559</u> |

**c) Comparison of nominal value by trading location**

|  | <b>2025</b>         |                         | <b>2024</b>          |                      |
|--|---------------------|-------------------------|----------------------|----------------------|
|  | <b>Stock market</b> | <b>Over the Counter</b> | <b>Nominal value</b> | <b>Nominal value</b> |

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|                  |                  |                  |                   |                   |
|------------------|------------------|------------------|-------------------|-------------------|
| Swaps            | 1,837,412        | 5,033,225        | 6,870,637         | 11,481,660        |
| NDF              | 496,563          | 2,358,345        | 2,854,908         | 2,668,899         |
| Foreign Exchange | -                | -                | 5,018,087         | -                 |
| <b>Total</b>     | <b>2,333,975</b> | <b>7,391,570</b> | <b>14,743,632</b> | <b>14,150,559</b> |

**d) Comparison between cost value and fair value**

|                                          | 2025             |                  | 2024          |
|------------------------------------------|------------------|------------------|---------------|
|                                          | Cost Value       | Market value     | Market value  |
| <b>Assets (Receive)</b>                  |                  |                  |               |
| SWAP Transactions                        | 173,089          | 232,203          | 294,538       |
| NDF Transactions                         | 53,745           | 69,090           | 291,736       |
| Foreign Exchange Transactions            | 79,986           | 82,899           | -             |
| <b>Credit valuation adjustment (CVA)</b> |                  |                  |               |
| CVA                                      | -                | (749)            | (436)         |
| <b>Hedge Accounting</b>                  |                  |                  |               |
| (+/-) Fair Value Adjustment              | -                | (6,114)          | -             |
| <b>Liabilities (Pay)</b>                 |                  |                  |               |
| SWAP Transactions                        | (423,109)        | (479,949)        | (501,175)     |
| NDF Transactions                         | (32,676)         | (30,557)         | (28,020)      |
| Foreign Exchange Transactions            | (165,048)        | (147,901)        | -             |
| <b>Debit valuation adjustment (DVA)</b>  |                  |                  |               |
| DVA                                      | -                | 28               | -             |
| <b>Hedge Accounting</b>                  |                  |                  |               |
| (+/-) Fair Value Adjustment              | -                | 597              | -             |
| <b>Total</b>                             | <b>(314,013)</b> | <b>(280,453)</b> | <b>56,643</b> |

**e) Hedge Accounting**

On December 31, 2025, and 2024, SMBCB had operations with derivative financial instruments with the purpose of mitigating the effects of exchange rate variation on funding carried out in foreign currency and loans fixed in Reais. These operations were designated as *hedge accounting* and were segregated into:

**Market risk hedge**—used to offset the risks arising from exposure to variations in the fair value of the hedged item *and* its appreciation or depreciation is recorded against revenue or expense accounts in the statements of profit or loss for the period. The respective *hedged* items are adjusted to fair value on the balance sheet date.

**Cash flow hedge**—*intended to offset* the changes in the estimated future cash flow and its appreciation or depreciation is recorded against a separate account in equity, deducted from tax effects.

**e.1 - Fair value measurement of derivative financial instruments by maturity range and index - Market risk hedge**

| <b>Maturities - Market Value - 2025</b> |                 |                        |                     |                     |                    |
|-----------------------------------------|-----------------|------------------------|---------------------|---------------------|--------------------|
| <b>Description</b>                      | <b>Index</b>    | <b>Up to 12 months</b> | <b>1 to 3 years</b> | <b>3 to 5 years</b> | <b>Total</b>       |
| Futures                                 | Exchange Coupon | (635,272)              | -                   | (479,292)           | (1,114,564)        |
| <b>Total</b>                            |                 | <u>(635,272)</u>       | <u>-</u>            | <u>(479,292)</u>    | <u>(1,114,564)</u> |

| <b>Maturities - Fair Value – 2024</b> |                 |                        |                     |                     |                |
|---------------------------------------|-----------------|------------------------|---------------------|---------------------|----------------|
| <b>Description</b>                    | <b>Index</b>    | <b>Up to 12 months</b> | <b>1 to 3 years</b> | <b>3 to 5 years</b> | <b>Total</b>   |
| Futures                               | Exchange Coupon | 481,601                | 173,217             | 6,433               | 661,251        |
| <b>Total</b>                          |                 | <u>481,601</u>         | <u>173,217</u>      | <u>6,433</u>        | <u>661,251</u> |

|                                              | <b>2025</b>        | <b>2024</b>      |
|----------------------------------------------|--------------------|------------------|
| <b>Hedged Items</b>                          |                    |                  |
| <b>Assets</b>                                |                    |                  |
| <b>Interbank deposit investments</b>         |                    |                  |
| Amount updated by agreed conditions          | 672,826            | 372,145          |
| Adjustment amount                            | 2,687              | (1,136)          |
| Market value                                 | 675,513            | 371,009          |
| <b>Working capital</b>                       |                    |                  |
| Amount updated by agreed conditions          | 409,030            | 308,268          |
| Adjustment amount                            | (1,556)            | (13,328)         |
| Market value                                 | 407,474            | 294,940          |
| <b>Total market value Hedged item</b>        | <u>1,082,987</u>   | <u>665,949</u>   |
| <b>Hedge instruments at market value</b>     |                    |                  |
| <b>Liabilities</b>                           |                    |                  |
| Futures                                      | (1,114,564)        | (661,251)        |
| <b>Total market value – Hedge instrument</b> | <u>(1,114,564)</u> | <u>(661,251)</u> |

| <b>Maturities - Fair Value – 2025</b> |              |                        |                     |                     |                  |
|---------------------------------------|--------------|------------------------|---------------------|---------------------|------------------|
| <b>Description</b>                    | <b>Index</b> | <b>Up to 12 months</b> | <b>1 to 3 years</b> | <b>3 to 5 years</b> | <b>Total</b>     |
| SWAP                                  | JPY x CDI    | 142,157                | 907,739             | 632,876             | 1,682,772        |
| Foreign exchange                      | JPY x CDI    | 855,249                | 18,817              | -                   | 874,066          |
| Funding                               | JPY x CDI    | (9,833)                | (19,265)            | -                   | (29,098)         |
| <b>Total</b>                          |              | <u>987,573</u>         | <u>907,291</u>      | <u>632,876</u>      | <u>2,527,740</u> |

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| <b>Maturities - Fair Value - 2024</b>         |              |                        |                     |                     |                    |
|-----------------------------------------------|--------------|------------------------|---------------------|---------------------|--------------------|
| <b>Description</b>                            | <b>Index</b> | <b>Up to 12 months</b> | <b>1 to 3 years</b> | <b>3 to 5 years</b> | <b>Total</b>       |
| SWAP                                          | JPY x CDI    | 2,400,641              | 516,763             | 930,462             | 3,847,866          |
| <b>Total</b>                                  |              | <b>2,400,641</b>       | <b>516,763</b>      | <b>930,462</b>      | <b>3,847,866</b>   |
|                                               |              | <b>2025</b>            |                     | <b>2024</b>         |                    |
| <b>Assets</b>                                 |              |                        |                     |                     |                    |
| <b>Advance on foreign exchange contracts</b>  |              |                        |                     |                     |                    |
| Amount updated by agreed conditions           |              |                        | 26,131              |                     | -                  |
| Adjustment amount                             |              |                        | (242)               |                     | -                  |
| <b>Total market value – Hedged assets</b>     |              |                        | <b>25,889</b>       |                     | <b>-</b>           |
| <b>Hedge instruments</b>                      |              |                        |                     |                     |                    |
| Swap                                          |              |                        | 1,682,772           |                     | 3,847,866          |
| Foreign exchange                              |              |                        | 874,066             |                     | -                  |
| <b>Total market value – Hedge Instrument</b>  |              |                        | <b>2,556,838</b>    |                     | <b>3,847,866</b>   |
| <b>Liabilities</b>                            |              |                        |                     |                     |                    |
| <b>Relending transactions</b>                 |              |                        |                     |                     |                    |
| Amount updated by agreed conditions           |              |                        | (2,756,768)         |                     | (3,882,285)        |
| Adjustment amount                             |              |                        | 31,284              |                     | 34,541             |
| <b>Total market value –Hedged Liabilities</b> |              |                        | <b>(2,725,484)</b>  |                     | <b>(3,847,744)</b> |
| <b>Hedge instruments</b>                      |              |                        |                     |                     |                    |
| Funding                                       |              |                        | (29,098)            |                     | -                  |
| <b>Total market value – Hedge Instrument</b>  |              |                        | <b>(29,098)</b>     |                     | <b>-</b>           |

**e.2 - Fair value measurement of derivative financial instruments by maturity range and index - Cash flow hedge**

| <b>Maturities - Fair Value – 2025</b> |              |                        |                     |                     |                |
|---------------------------------------|--------------|------------------------|---------------------|---------------------|----------------|
| <b>Description</b>                    | <b>Index</b> | <b>Up to 12 months</b> | <b>1 to 3 years</b> | <b>3 to 5 years</b> | <b>Total</b>   |
| Futures                               |              | 118,171                | 62,810              | -                   | 180,981        |
| <b>Total</b>                          |              | <b>118,171</b>         | <b>62,810</b>       | <b>-</b>            | <b>180,981</b> |

| <b>Maturities - Fair Value – 2024</b> |                 |                        |                     |                     |                |
|---------------------------------------|-----------------|------------------------|---------------------|---------------------|----------------|
| <b>Description</b>                    | <b>Index</b>    | <b>Up to 12 months</b> | <b>1 to 3 years</b> | <b>3 to 5 years</b> | <b>Total</b>   |
| Futures                               | Exchange Coupon | 532,053                | 191,009             | -                   | 723,062        |
| <b>Total</b>                          |                 | <b>532,053</b>         | <b>191,009</b>      | <b>-</b>            | <b>723,062</b> |

|                                            | 2025      | 2024      |
|--------------------------------------------|-----------|-----------|
| <b>Hedged Items</b>                        |           |           |
| <b>Liabilities</b>                         |           |           |
| Relending transactions                     |           |           |
| <i>Amount updated by agreed conditions</i> | (179,203) | (719,030) |
| <b>Hedge instruments</b>                   |           |           |
| <b>Assets</b>                              |           |           |
| Futures                                    | 180,981   | 723,062   |
| Cash Flow Hedge Reserve                    | 9,229     | 14,017    |

The amount of R\$9,229 on December 31, 2025, and R\$14,017 on December 31, 2024, in the Cash Flow Hedge Reserve will be recognized in profit or loss over the maturity period of the hedged item.

## 7 Financial assets at fair value

### a) Fair Value through other comprehensive income (FVOCI)

#### *Breakdown*

|                           | Stage 1   |           |
|---------------------------|-----------|-----------|
|                           | 2025      | 2024      |
| <b>Own portfolio:</b>     |           |           |
| <b>Debt instrument:</b>   |           |           |
| Government securities     | 3,470,552 | 2,824,454 |
| Private securities        | 181,156   | -         |
| <b>Equity instrument:</b> |           |           |
| Investment fund shares:   | 109       | 104       |
|                           | 3,651,817 | 2,824,558 |

Note No. 31 Risk Management - contains details of the maturity periods of financial assets at fair value through other comprehensive income.

#### *Segregation by fair value hierarchy*

The following table shows the fair values of Financial Assets for the years ended December 31, 2025 and 2024, segregated by fair value hierarchy based on the various measurement methods adopted by SMBCB, as described in note 3 (b) item (iii).

|                                               | 2025      |         | 2024      |         |
|-----------------------------------------------|-----------|---------|-----------|---------|
|                                               | Level 1   | Level 2 | Level 1   | Level 2 |
| <b>Own portfolio:</b>                         |           |         |           |         |
| <b>Debt Instrument:</b>                       |           |         |           |         |
| Financial Treasury Bills                      | 1,910,623 | -       | 1,185,238 | -       |
| Debentures                                    |           | 73,687  | -         | -       |
| Commercial Paper                              |           | 89,421  | -         | -       |
| <b>Equity instrument:</b>                     |           |         |           |         |
| Investment fund shares:                       |           |         |           |         |
| Private Equity fund shares - FIP              | -         | 109     | -         | 104     |
| <b>Debt instrument:</b>                       |           |         |           |         |
| <b>Linked to the provision of guarantees:</b> |           |         |           |         |
| Financial Treasury Bills                      | 1,577,976 | -       | 1,639,216 | -       |

|           |         |           |     |
|-----------|---------|-----------|-----|
| 3,488,599 | 163,217 | 2,824,454 | 104 |
|-----------|---------|-----------|-----|

Government securities are book-entry and registered with the Special System for Settlement and Custody (SELIC).

## **8 Financial assets at fair value through profit or loss (FVPL) and at Amortized Cost**

### **a) Interbank deposits investments**

|                                                      | Level 1 |         |
|------------------------------------------------------|---------|---------|
|                                                      | 2025    | 2024    |
| <b>Interbank deposits investments</b>                |         |         |
| <b>Measured at fair value through profit or loss</b> |         |         |
| Not linked                                           | 675,513 | 371,009 |
| <b>Measured at amortized cost</b>                    |         |         |
| Not linked                                           | 23,407  | 550,538 |
|                                                      | 698,920 | 921,547 |

Note No. 31 Risk Management - contains details of the maturity periods for Interbank deposits.

### **b) Marketable Securities**

|                          | Level 2   |         |
|--------------------------|-----------|---------|
|                          | 2025      | 2024    |
| <b>Debt instrument</b>   |           |         |
| <b>At amortized cost</b> |           |         |
| Debentures               | 543,801   | 666,072 |
| Commercial Paper         | 521,933   | 252,819 |
|                          | 1,065,734 | 918,891 |

Note No. 31 Risk Management - contains details of the maturity periods of investments in securities at amortized cost.

**c) Loans and receivables from customers**

| <b>Description</b>                    | <b>2025</b> | <b>2024</b> |
|---------------------------------------|-------------|-------------|
| <b>Measured at amortized cost</b>     |             |             |
| Bank Credit Note - CCB                | 215,359     | 56,404      |
| Working capital                       | 877,141     | 1,004,091   |
| Funding in foreign currency           | 132         | -           |
| Export Credit Notes – NCE             | 31,916      | 318,617     |
| Interbank relending                   | 141,657     | 377,654     |
| Advance on foreign exchange contracts | 385,193     | 959,233     |
| Income receivable on advances         | -           | 47,666      |
| Surety settled                        | 871,494     | 342,222     |
|                                       | 2,522,892   | 3,105,887   |

**d) By maturity**

|                       | <b>2025</b> | <b>2024</b> |
|-----------------------|-------------|-------------|
| <b>To become due:</b> |             |             |
| Up to 30 days         | 89,092      | 73,582      |
| 31 to 60 days         | 88,147      | 482,957     |
| 61 to 90 days         | 81,000      | 451,059     |
| 91 to 180 days        | 349,932     | 837,638     |
| 181 to 360 days       | 789,276     | 205,739     |
| Over 360 days         | 230,255     | 1,054,912   |
| <b>Past due:</b>      |             |             |
| From 61 to 90 days    | 20,960      | -           |
| From 91 to 180 days   | 382,511     | -           |
| From 181 to 360 days  | 149,496     | -           |
| Over 360 days         | 342,223     | -           |
|                       | 2,522,892   | 3,105,887   |

Segregation by maturity was carried out considering the outstanding installments at the balance sheet date.

Loans for the 20 largest debtors on December 31, 2025, represent 96.45% of the credit portfolio (94.84% in 2024).

**e) By business sector**

|                        | <b>2025</b>      | <b>2024</b>      |
|------------------------|------------------|------------------|
| Private sector:        |                  |                  |
| Industry               | 858,433          | 1,322,533        |
| Financial Institutions | 141,656          | 377,654          |
| Commerce               | 32,510           | 20,857           |
| Other services         | 1,490,293        | 1,384,843        |
|                        | <b>2,522,892</b> | <b>3,105,887</b> |

**f) Provision for expected credit losses**

|                                                   | <b>Balances on 12/31/2025</b> |                |                    |                    |
|---------------------------------------------------|-------------------------------|----------------|--------------------|--------------------|
|                                                   | <b>Stages</b>                 |                |                    |                    |
|                                                   | <b>1</b>                      | <b>2</b>       | <b>3</b>           | <b>Total</b>       |
| <b>Financial assets at amortized cost</b>         |                               |                |                    |                    |
| <b>Provision for expected losses</b>              |                               |                |                    |                    |
| Marketable securities                             | (1,311)                       | -              | (467,470)          | (468,781)          |
| Loans and receivables from customers              | (2,013)                       | -              | (823,978)          | (825,991)          |
| <b>Total Expected Credit Losses</b>               | <b>(3,324)</b>                | -              | <b>(1,291,448)</b> | <b>(1,294,772)</b> |
| Financial guarantees provided (Note No. 15b)      | (4,330)                       | (1,500)        | -                  | (5,830)            |
| <b>Total expected credit and guarantee losses</b> | <b>(4,330)</b>                | <b>(1,500)</b> | -                  | <b>(5,830)</b>     |
| Other risks                                       | (3,154)                       | (6)            | (8,800)            | (11,960)           |
| <b>Total other risks</b>                          | <b>(3,154)</b>                | <b>(6)</b>     | <b>(8,800)</b>     | <b>(11,960)</b>    |
| <b>Total expected credit losses</b>               | <b>(10,808)</b>               | <b>(1,506)</b> | <b>(1,300,248)</b> | <b>(1,312,562)</b> |

|                                                   | <b>Balances on 12/31/2024</b> |                 |                  |                  |
|---------------------------------------------------|-------------------------------|-----------------|------------------|------------------|
|                                                   | <b>Stages</b>                 |                 |                  |                  |
|                                                   | <b>1</b>                      | <b>2</b>        | <b>3</b>         | <b>Total</b>     |
| <b>Financial assets at amortized cost</b>         |                               |                 |                  |                  |
| <b>Provision for expected losses</b>              |                               |                 |                  |                  |
| Marketable securities                             | (3,814)                       | -               | -                | (3,814)          |
| Loans and receivables from customers              | (5,588)                       | (4,969)         | (245,099)        | (255,656)        |
| <b>Total Expected Credit Losses</b>               | <b>(9,402)</b>                | <b>(4,969)</b>  | <b>(245,099)</b> | <b>(259,470)</b> |
| Financial guarantees provided (Note No. 15b)      | (9,094)                       | (29,736)        | (228,268)        | (267,098)        |
| <b>Total expected credit and guarantee losses</b> | <b>(18,496)</b>               | <b>(34,705)</b> | <b>(473,367)</b> | <b>(526,568)</b> |

SMBCB did not present a provision for expected credit losses on instruments classified as FVOCI in 2025 and 2024.

### **Change in profit or loss for expected credit losses provision**

|                                    | <u>2025</u>             | <u>2024</u>             |
|------------------------------------|-------------------------|-------------------------|
| Reversal of provision              | 752,527                 | 458                     |
| Setup of provision                 | <u>(1,538,511)</u>      | <u>(401,193)</u>        |
| <b>Profit or loss for the year</b> | <u><u>(785,984)</u></u> | <u><u>(400,735)</u></u> |

No transactions were renegotiated or written off for losses.

### **g) Methodology for calculating the expected loss with the portfolio of loans and receivables**

The references below demonstrate how the valuation and measurement of impairment were carried out by SMBCB for the purpose of preparing these consolidated financial statements. They should be read in conjunction with the note that describes SMBCB's significant accounting practices (Note No. 3 (c)).

#### ***Allocation in stages***

As described in Note 3 (c), SMBCB distributes its financial assets into stages (Stage 1, Stage 2 and Stage 3), according to their level of credit risk deterioration. To carry out this distribution, the following assumptions are considered:

#### **(i) Significant increase in credit risk**

SMBCB continuously monitors all assets subject to provision for expected losses. In order to determine whether an instrument is subject to the provision for expected losses for 12 months (PE 12 months) or for the life of the operation (PE Life), SMBCB assesses whether there has been a significant increase in credit risk over the term of the transaction since its initial recognition.

SMBCB considers that a transaction has had a significant increase in credit risk (Stage 2 classification) when default reaches 30 days or its probability of default (PD) increases by 3 p.p.

#### **(i) Definition of default and “cure”**

SMBCB considers as a non-performing financial instrument and, consequently Stage 3 for PE calculation purposes, all operations that are overdue for more than 90 days in relation to their contractual payments or that have as counterparty clients with internal risk classification (*Obligor Grade*) that indicates serious business difficulties and unlikely recovery (see note 30 (v) - Risk Management - Credit Risk for description of the methodology of the SMBC to classify its clients according to their credit quality).

For interbank operations (interbank liquidity operations), SMBCB considers them to be in default when the required intra-daily payment is not made at the end of the transaction as determined in the contractual terms.

SMBCB considers that the instrument is no longer in default (i.e., a “cure” event) when the counterparty (individual or legal entity) no longer presents delays in the flow of payments for a consecutive period of 6 months.

### ***Valuation and measurement of impairment***

SMBCB considers the following elements in valuing and measuring the provision for expected credit losses.

**(i) Probability of default (PD)**

SMBCB has an internal model for assigning credit risk classifications (*ratings*) and probability of default (PD) to its clients. The model incorporates qualitative and quantitative information and, in addition to client-specific information, supplementary external information is used that may affect client behavior (see note 30 (v) - Risk Management - Credit Risk for a description of the methodology of the SMBC to classify its clients according to their credit quality).

**(ii) Loss given (LGD)**

LGD is the loss arising in the event of default. LGD calculation is based on net write-offs of non-performing loans.

**(iii) Prospective information (forward looking view)**

In PE models, SMBCB uses prospective macroeconomic information, with household debt rate (excluding debt related to housing credit) being the main one.

Other forward-looking considerations that have not been incorporated, such as the impact of any regulatory, legislative or policy changes, have also been considered, but are not viewed as having a material impact and therefore no impairment adjustment *has* been made for these factors. This is reviewed and monitored for suitability annually.

We present below the changes in the provision for credit losses expected on December 31, 2024, which would be the reasonable result of possible changes in the assumptions of economic variables used by the SMBCB:

|                                           | PD             | Relative % of variation |
|-------------------------------------------|----------------|-------------------------|
| Household debt<br>(except housing credit) | Base estimate  | 0.282%                  |
|                                           | Worsening 1%   | 2.314%                  |
|                                           | Improvement 1% | -2.262%                 |
|                                           | Worsening 5%   | 12.118%                 |
|                                           | Improvement 5% | -10.811%                |

**(iv) Exposure at default (EAD)**

EAD represents the gross carrying value of financial instruments subject to the calculation of expected losses (PE), considering the client's ability to increase their exposure while approaching default and the potential for early payments to occur.

For credit limits granted and unused and financial guarantees provided, exposure at default is predicted by considering the balance used, without adding a "credit conversion factor."

## h) Changes in the provision for impairment

| Stages 1-2-3                                            | December 31, 2024, to December 31, 2025 |                |                    |                    |
|---------------------------------------------------------|-----------------------------------------|----------------|--------------------|--------------------|
|                                                         | Loans and receivables from customers    |                |                    |                    |
|                                                         | 1                                       | 2              | 3                  | Total              |
| <b>Expected Loss on January 1, 2025:</b>                | <b>(18,496)</b>                         |                |                    |                    |
| <b>Change</b>                                           |                                         |                |                    |                    |
| Stage migration:                                        |                                         |                |                    |                    |
| Stage 1 to Stage 2                                      | 3,210                                   | -              | (1,125)            | 2,085              |
| New financial assets originated or purchased            | 4,478                                   | (106)          | (1,291,141)        | (1,286,769)        |
| Reversal of provision for settled/written-off contracts | -                                       | 33,305         | 465,385            | 498,700            |
| <b>Total change</b>                                     |                                         |                |                    |                    |
| <b>Expected Loss on December 31, 2025</b>               | <b>(10,808)</b>                         | <b>(1,506)</b> | <b>(1,300,248)</b> | <b>(1,312,562)</b> |

  

| Stages 1-2-3                                            | December 31, 2023, to December 31, 2024 |                 |                  |                  |
|---------------------------------------------------------|-----------------------------------------|-----------------|------------------|------------------|
|                                                         | Loans and receivables from customers    |                 |                  |                  |
|                                                         | 1                                       | 2               | 3                | Total            |
| <b>Expected Loss on January 1, 2024:</b>                | <b>(8,913)</b>                          | -               | -                | <b>(8,913)</b>   |
| <b>Change</b>                                           |                                         |                 |                  |                  |
| Stage migration:                                        |                                         |                 |                  |                  |
| Stage 1 to Stage 2                                      | -                                       | -               | -                | -                |
| New financial assets originated or purchased            | (13,960)                                | (34,705)        | (469,974)        | (518,639)        |
| Changes in PDs, LGDs and EADs                           | 8,991                                   | -               | (3,393)          | 5,598            |
| Reversal of provision for settled/written-off contracts | (4,614)                                 | -               | -                | (5,935)          |
| <b>Total change</b>                                     |                                         |                 |                  |                  |
| <b>Expected Loss on December 31, 2024</b>               | <b>(18,496)</b>                         | <b>(34,705)</b> | <b>(473,367)</b> | <b>(526,568)</b> |

## 9 Other assets

|                                             | 2025          | 2024           |
|---------------------------------------------|---------------|----------------|
| Services provided receivable                | 42,158        | 104,407        |
| Securities trading and intermediation       | 17,420        | 6,036          |
| Prepaid expenses                            | 1,680         | 391            |
| Right on foreign exchange transactions, net | -             | 123,177        |
| Other                                       | 9,713         | 10,904         |
|                                             | <b>70,971</b> | <b>244,915</b> |

## 10 Property and equipment

### a. Breakdown

|                                     | <b>2025</b>   |                                 |                    |
|-------------------------------------|---------------|---------------------------------|--------------------|
|                                     | <b>Cost</b>   | <b>Accumulated depreciation</b> | <b>Net balance</b> |
| Furniture and equipment for use (*) | 1,174         | (952)                           | 222                |
| Facilities                          | 5,597         | (5,028)                         | 569                |
| Data processing system              | 19,851        | (5,031)                         | 14,820             |
| Communication system                | 631           | (257)                           | 374                |
| Security system                     | 315           | (291)                           | 24                 |
| Transport system                    | 600           | (600)                           | -                  |
| Rights of use (*)                   | 12,993        | (1,039)                         | 11,954             |
| Artworks                            | 97            | -                               | 97                 |
| Renovation in progress              | 1,971         | -                               | 1,971              |
| <b>Balances</b>                     | <b>43,229</b> | <b>(13,198)</b>                 | <b>30,031</b>      |

  

|                                 | <b>2024</b>   |                                 |                    |
|---------------------------------|---------------|---------------------------------|--------------------|
|                                 | <b>Cost</b>   | <b>Accumulated depreciation</b> | <b>Net balance</b> |
| Furniture and equipment for use | 1,629         | (1,308)                         | 321                |
| Facilities                      | 5,503         | (4,789)                         | 714                |
| Data Processing System          | 8,184         | (6,556)                         | 1,628              |
| Communication system            | 683           | (305)                           | 378                |
| Security system                 | 341           | (305)                           | 36                 |
| Transport system                | 867           | (867)                           | -                  |
| Rights of use                   | 6,812         | (2,620)                         | 4,192              |
| <b>Balances</b>                 | <b>24,019</b> | <b>(16,750)</b>                 | <b>7,269</b>       |

(\*) In 2025, a new Rights-of-Use line was recorded in the amount of R\$12,993, as well as a depreciation of R\$1,039, evidencing the extension of the 2025 rent agreement for the Bank's headquarters.

### b. Changes

|                                        | <b>2025</b>     | <b>2024</b>     |
|----------------------------------------|-----------------|-----------------|
| <b>Cost:</b>                           |                 |                 |
| Balances at the beginning of the year  | 24,019          | 25,493          |
| Net additions (write-offs)             | 19,210          | (1,474)         |
| <b>Balances at the end of the year</b> | <b>43,229</b>   | <b>24,019</b>   |
| <b>Accumulated depreciation:</b>       |                 |                 |
| Balances at the beginning of the year  | (16,750)        | (15,263)        |
| Write-offs                             | 6,562           | 2,420           |
| Net depreciation                       | (3,010)         | (3,907)         |
| <b>Balances at the end of the year</b> | <b>(13,198)</b> | <b>(16,750)</b> |

## 11 Intangible assets

### a. Breakdown

|                                     | <b>2025</b> |                                     |                        |
|-------------------------------------|-------------|-------------------------------------|------------------------|
|                                     | <b>Cost</b> | <b>Accumulated<br/>amortization</b> | <b>Net<br/>balance</b> |
| Information Technology Developments | 23,592      | (15,503)                            | 8,089                  |
| <b>Balances</b>                     | 23,592      | (15,503)                            | 8,089                  |
|                                     | <b>2024</b> |                                     |                        |
|                                     | <b>Cost</b> | <b>Accumulated<br/>amortization</b> | <b>Net<br/>balance</b> |
| Information Technology Developments | 21,256      | (13,636)                            | 7,620                  |
|                                     | 21,256      | (13,636)                            | 7,620                  |

### **b. Changes**

|                                        | <b>2025</b> | <b>2024</b> |
|----------------------------------------|-------------|-------------|
| <b>Cost:</b>                           |             |             |
| Balances at the beginning of the year  | 21,256      | 16,840      |
| Net additions (write-offs)             | 2,336       | 4,416       |
| <b>Balances at the end of the year</b> | 23,592      | 21,256      |
|                                        | <b>2025</b> | <b>2024</b> |
| <b>Accumulated amortization:</b>       |             |             |
| Balances at the beginning of the year  | (13,636)    | (12,906)    |
| Net amortization                       | (1,867)     | (730)       |
| <b>Balances at the end of the year</b> | (15,503)    | (13,636)    |

## **12 Financial liabilities**

### **a. Deposits from clients and open market funding**

|                                                  | <b>2025</b> | <b>2024</b> |
|--------------------------------------------------|-------------|-------------|
| Deposits                                         |             |             |
| Demand deposits                                  | 85,945      | 82,977      |
| Term deposits                                    | 1,258,282   | 1,638,759   |
| Proceeds from acceptance and issue of securities | 587,866     | 180,392     |
| Open market funding                              | 181,352     |             |
|                                                  | 2,113,445   | 1,902,128   |

The amounts of deposits from clients highlighted in the table above are at amortized cost. Note No. 31 Risk Management - contains details of the maturity periods of deposits from clients.

## b. Obligations for loans and Relending

|                                                | <u>2025</u>      | <u>2024</u>      |
|------------------------------------------------|------------------|------------------|
| <b>Financial liabilities at amortized cost</b> |                  |                  |
| Obligations for loans abroad                   | 379,099          | 1,128,165        |
| Obligations for Relending abroad               | <u>3,301,990</u> | <u>5,316,230</u> |
|                                                | <u>3,681,089</u> | <u>6,444,395</u> |

Note No. 31 Risk Management - contains details of the maturity periods of loan and Relending obligations.

## 13 Contingent liabilities

|                             | <u>Provisions</u> |               | <u>Judicial deposits</u> |             |
|-----------------------------|-------------------|---------------|--------------------------|-------------|
|                             | <u>2025</u>       | <u>2024</u>   | <u>2025</u>              | <u>2024</u> |
| <b>Legal obligations:</b>   |                   |               |                          |             |
| Demutualization CETIP       | 127               | 102           | -                        | -           |
| (a)                         |                   |               |                          |             |
| <b>Provision for risks:</b> |                   |               |                          |             |
| Civil (b)                   | 20,111            | 17,166        | -                        | -           |
| Labor (c)                   | <u>1,969</u>      | <u>2,364</u>  | <u>657</u>               | <u>631</u>  |
|                             | <u>22,207</u>     | <u>19,632</u> | <u>657</u>               | <u>631</u>  |

(a) SMBCB recorded the amount for part of the proceeding in progress that it considers as probable loss on the demutualization of Cetip's shares, of which the amount for December 31, 2025, is R\$127 (R\$102 in 2024).

(b) The provision basically refers to inflation adjustments on time deposits, for which a financial disbursement is probable. The amount updated on December 31, 2025, is R\$20,111 (R\$17,166 in 2024).

(c) The provision refers to actions filed by former employees and outsourced workers claiming labor rights that they consider to be due. The actions are controlled individually, and the provisions are made based on a decision previously laid down by the Board or lower labor court. Management, based on the opinion of its legal advisors, believes that the amounts currently provisioned are adequate. The updated amount is R\$1,969 (R\$2,364 in 2024).

As per the internal assessment, the Bank has no contingencies classified with risk of "possible loss."

## 14 Lease Liabilities

On December 31, 2025, the company held lease agreements relating to the property used for administrative activities. These lease agreements have a term of 5 years, with an option for extension at the end of this period.

Payments of these leases are adjusted each year to reflect the inflation adjustments provided for in the agreement. The breakdown of the lease liabilities balance is as follows:

|                 | <u>Bank</u>       |
|-----------------|-------------------|
| <b>Maturity</b> | <b>12/31/2025</b> |
| 05/31/2030      | 11,954            |
|                 | <b>11,954</b>     |
| Current         | 1,477             |
| Non-Current     | <u>10,477</u>     |
| <b>Total</b>    | <b>11,954</b>     |

Right-of-use assets linked to the leased properties and that do not correspond to the definition of "property for investment" are recorded in property and equipment, as per note No. 10(a), "Rights of Use" item.

See below the breakdown of the flow of lease liabilities on December 31, 2025, per maturity year.

|                   | <u>Bank</u>       |
|-------------------|-------------------|
| <b>Maturities</b> | <b>12/31/2025</b> |
| 2026              | 2,572             |
| 2027              | 2,706             |
| 2028              | 2,762             |
| 2029              | 2,762             |
| 2030              | <u>1,152</u>      |
| <b>Total</b>      | <b>11,954</b>     |

Changes in leases are represented as follows:

|                              | <u>Bank</u>   |
|------------------------------|---------------|
| <b>Balance on 12/31/2024</b> | <b>4,807</b>  |
| New lease                    | 8,186         |
| Lease payments               | (1,039)       |
| <b>Balance on 12/31/2025</b> | <b>11,954</b> |

## 15 Other liabilities

### a. Interbranch balances

|                              | <u>2025</u> | <u>2024</u>   |
|------------------------------|-------------|---------------|
| Third-party funds in transit | -           | 36,556        |
|                              | -           | <u>36,556</u> |

**b. Other obligations**

|                                                           | <u>2025</u>    | <u>2024</u>    |
|-----------------------------------------------------------|----------------|----------------|
| Social and statutory obligations                          | 10,352         | 142,614        |
| Taxes and contributions on salaries                       | 2,460          | 3,596          |
| Other taxes and contributions                             | 5,851          | 25,256         |
| Trading and intermediation of securities                  | 73,588         | 10,496         |
| Provision for financial guarantees provided (Note No. 8f) | 5,830          | 267,098        |
| Provision for unused limits                               | 499            | 265            |
| Provisions for payments to be made:                       |                |                |
| Personnel expenses                                        | 47,522         | 43,313         |
| Other administrative expenses                             | 10,296         | 4,789          |
| Lease liability (Note No. 14)                             | 11,954         | 4,807          |
| Actuarial liabilities (Note No. 29)                       | 28,479         | 23,485         |
| Obligations in foreign currency                           | 84,056         | -              |
| Deferred commission                                       | -              | 90,446         |
| Other                                                     | 1,873          | 3,111          |
|                                                           | <u>282,760</u> | <u>619,276</u> |

**c. Tax credits and tax liabilities**

***Income tax and social contribution***

|                                                                                                | <u>2025</u>  |             | <u>2024</u>   |               |
|------------------------------------------------------------------------------------------------|--------------|-------------|---------------|---------------|
|                                                                                                | <u>IRPJ</u>  | <u>CSLL</u> | <u>IRPJ</u>   | <u>CSLL</u>   |
| Income before taxation and after profit sharing                                                | (479,111)    | (479,111)   | (225,731)     | (225,731)     |
| Reversal of provisions for contingent liabilities                                              | -            | -           | (2,987)       | (2,987)       |
| Provision for contingent liabilities                                                           | 4,940        | 4,940       | 3,326         | 3,326         |
| Provision for impairment                                                                       | 783,616      | 783,616     | 400,735       | 400,735       |
| Temporary provisions                                                                           | 4,339        | 4,339       | (30,818)      | (30,818)      |
| Fair value adjustment of derivative financial instruments                                      | (60,368)     | (60,368)    | 115,710       | 115,710       |
| Adjustment to fair value of hedge accounting operations                                        | -            | -           | 4,556         | 4,556         |
| Non-deductible expenses                                                                        | 26,700       | 11,462      | 12,972        | 1,695         |
| B3 S.A.- Brasil, Bolsa, Balcão Operations                                                      | (35,867)     | (35,867)    | (28,982)      | (28,982)      |
| Income from branch abroad                                                                      | 3,635        | 3,635       | 1,590         | 1,590         |
| Deductible losses incurred                                                                     | (232,559)    | (232,559)   | -             | -             |
| Other (additions/exclusions)                                                                   | (85)         | (87)        | (1,647)       | (1,647)       |
| Taxable income                                                                                 | 15,240       | 0           | 248,724       | 237,447       |
| Total income tax charge at a rate of 25% and proportional social contribution at a rate of 20% | 3,785        | -           | 62,157        | 47,489        |
| Rouanet Law contribution                                                                       | -            | -           | (300)         | -             |
| Empresa Cidadã Law                                                                             | (219)        | -           | -             | -             |
| Adjustment from previous years                                                                 | -            | -           | 60            | -             |
| Income tax expenses                                                                            | <u>3,567</u> | <u>-</u>    | <u>61,917</u> | <u>47,489</u> |

**d. Deferred tax assets/Deferred tax liabilities**

Deferred tax credits on temporary provisions, based on the latest technical study prepared, are subject to realization within a period of 10 years.

The rules for recognizing the effects of actuarial liabilities related to the defined benefit retirement plan and post-employment benefits related to the Medical Assistance Plan of which SMBCB is a sponsor (according to current rules) are also being considered.

The breakdown of deferred assets and liabilities is presented as follows:

| <b>Deferred tax assets</b>                                        | <u><b>2025</b></u>    | <u><b>2024</b></u>    |
|-------------------------------------------------------------------|-----------------------|-----------------------|
| Temporary adjustments on the provision for expected credit losses | 485,921               | 236,950               |
| Mark-to-market - Swap                                             | -                     | 25,578                |
| Temporary adjustments other provisions                            | 17,463                | 19,784                |
| Temporary adjustment – B3                                         | -                     | 12,010                |
| Mark-to-market Item Hedged                                        | 3,757                 | 6,284                 |
| Actuarial adjustment of health plan                               | 3,089                 | 2,791                 |
| Adjustment to fair value – Securities and derivatives             | -                     | 344                   |
| Hedge accounting adjustment                                       | -                     | 183                   |
| Temporary adjustments on judicial provisions                      | 57                    | 46                    |
| <b>Total</b>                                                      | <u><u>510,287</u></u> | <u><u>303,970</u></u> |
| <br>                                                              |                       |                       |
| <b>Deferred tax liabilities</b>                                   |                       |                       |
| Mark-to-market - Swap                                             | 1,024                 | 31,628                |
| NDF mark-to-market                                                | 7,859                 | 14,671                |
| Mark-to-market Item Hedged                                        | 15,744                | 5,866                 |
| Mark-to-market – Foreign Exchange                                 | 9,027                 | -                     |
| Mark-to-market – Fund Share                                       | 17,573                | -                     |
| Adjustment of Securities Available for Sale                       | 1,173                 | 420                   |
| Temporary adjustment – B3                                         | 7,671                 | 3,541                 |
| Actuarial adjustment of social security plan                      | 1,755                 | 1,367                 |
| Hedge accounting adjustment                                       | 7,551                 | 11,651                |
| DVA adjustment                                                    | 12                    | -                     |
| <b>Total</b>                                                      | <u><u>69,389</u></u>  | <u><u>69,144</u></u>  |

Changes in deferred assets are demonstrated as follows:

|                                                                | <u><b>12/31/2024</b></u> | <u><b>(Realization)/<br/>Setup</b></u> | <u><b>31/12/2025</b></u> |
|----------------------------------------------------------------|--------------------------|----------------------------------------|--------------------------|
| <b>Change in deferred tax assets</b>                           |                          |                                        |                          |
| Adjustments of revenues and expenses from temporary provisions | 303,970                  | 206,317                                | 510,287                  |
|                                                                | <u><u>303,970</u></u>    | <u><u>206,317</u></u>                  | <u><u>510,287</u></u>    |

There are also unrecognized tax credits on provisions for civil contingencies in the amount of R\$18,776 (R\$15,502 in 2024) due to the uncertainty of their realization within a period of less than 10 years.

Breakdown of the result from deferred tax assets:

|                                                                | <u>2025</u>           | <u>2024</u>           |
|----------------------------------------------------------------|-----------------------|-----------------------|
| NDF mark-to-market                                             | -                     | (15,294)              |
| Temporary adjustment – B3                                      | -                     | (13,042)              |
| Mark-to-market Item Hedged                                     | -                     | (298)                 |
| Temporary adjustments on Provision for Losses Incurred         | (38,147)              |                       |
| Temporary adjustments on judicial provisions                   | (46)                  | (5)                   |
| Temporary adjustments other provisions                         | (2,284)               | 1,808                 |
| CDI hedge adjustment                                           | -                     | 2,349                 |
| Mark-to-market - Swap                                          | (43,306)              | 67,363                |
| Temporary adjustments on expected losses linked to credit risk | <u>287,184</u>        | <u>233,061</u>        |
| Total                                                          | <u><u>203,401</u></u> | <u><u>275,942</u></u> |

**e. Taxes payable**

|                                    | <u>2025</u>         | <u>2024</u>           |
|------------------------------------|---------------------|-----------------------|
| Income tax and social contribution | <u>3,567</u>        | <u>109,346</u>        |
|                                    | <u><u>3,567</u></u> | <u><u>109,346</u></u> |

**f. Taxes to offset**

|                                         | <u>2025</u>          | <u>2024</u>          |
|-----------------------------------------|----------------------|----------------------|
| IRPJ advances not offset                | 12,617               | 19,691               |
| CSLL advances not offset                | 8,074                | 11,825               |
| Other taxes and contributions to offset | <u>1,410</u>         | <u>1,535</u>         |
|                                         | <u><u>22,101</u></u> | <u><u>33,051</u></u> |

## 16 Equity

**a. Capital Stock**

The capital stock is represented by common shares, worth one Real (R\$1.00) each, distributed as follows:

|                                             | <u>2025</u>             | <u>2024</u>             |
|---------------------------------------------|-------------------------|-------------------------|
| Sumitomo Mitsui Banking Corporation (Japan) | 1,785,997               | 1,675,697               |
| Shareholders domiciled in Brazil            | <u>2</u>                | <u>2</u>                |
|                                             | <u><u>1,785,999</u></u> | <u><u>1,675,699</u></u> |

**b. Dividends**

Corporate legislation and the bylaws state that the distribution of dividends and/or interest on equity is linked to the recording of net income for the year. Since the Bank recorded loss for the

year ended December 31, 2025, the distribution of dividends and interest on equity was not approved for the calendar-year 2025.

**c. Legal reserve**

The legal reserve was recorded as established by corporate law and may be used for offsetting losses or increasing the Company's share capital.

**d. Statutory Reserve**

The statutory reserve corresponds to the portion of allocated retained earnings after the mandatory allocations provided for in the corporate legislation and the by-laws.

In the year ended December 31, 2025, the Bank recorded a loss of R\$275,289, which was fully absorbed in the retained earnings result for the period. After this, the balance of the statutory reserve – previously of R\$396,209 in 2024 –dropped to R\$120,920. This balance may be carried forward or allocated as proposed by the Executive Board and approved by the General Meeting.

**17 Interest income calculated using the effective interest method**

|                               | <u>2025</u>    | <u>2024</u>    |
|-------------------------------|----------------|----------------|
| Marketable securities         | 644,182        | 387,609        |
| Loans and advances to clients | 157,083        | 164,852        |
|                               | <u>801,265</u> | <u>552,461</u> |

**18 Other interest income**

|                                         | <u>2025</u>    | <u>2024</u>    |
|-----------------------------------------|----------------|----------------|
| Securities loaned and repo transactions | 288,774        | 370,459        |
|                                         | <u>288,774</u> | <u>370,459</u> |

**19 Interest and similar expenses**

|                                           | <u>2025</u>      | <u>2024</u>      |
|-------------------------------------------|------------------|------------------|
| Deposits from financial institutions      | (7,671)          | (2,159)          |
| Deposits from clients                     | (176,389)        | (186,720)        |
| Securities borrowed and repo transactions | (60,266)         | (99,146)         |
| Debt issued and other funds borrowed      | (37,870)         | (18,158)         |
|                                           | <u>(282,196)</u> | <u>(306,183)</u> |

## 20 Net income from commissions and services provided

|                                                           | <u>2025</u>   | <u>2024</u>    |
|-----------------------------------------------------------|---------------|----------------|
| <b>Net revenue from commissions and services provided</b> |               |                |
| Financing intermediation                                  | 40,119        | 33,981         |
| Income from guarantees provided                           | 36,558        | 72,123         |
| Other fees received                                       | 10,044        | 9,899          |
|                                                           | <u>86,721</u> | <u>116,003</u> |

## 21 Gains (losses) on financial instruments

|                                      | <u>2025</u>      | <u>2024</u>    |
|--------------------------------------|------------------|----------------|
| Income from derivative transactions  | 5,967,302        | 4,293,958      |
| Expenses for derivative transactions | (6,732,659)      | (3,870,830)    |
| Result of funds                      | (534)            | -              |
|                                      | <u>(765,891)</u> | <u>423,128</u> |

## 22 Income from exchange transactions

Exchange variations show gains or losses on trades indexed in foreign currencies in conversions to SMBCB's functional currency, in the amount of R\$58,429 (R\$311,662 in 2024).

## 23 Personnel expenses

|                          | <u>2025</u>      | <u>2024</u>      |
|--------------------------|------------------|------------------|
| Salaries                 | (123,218)        | (85,193)         |
| Social security costs    | (42,520)         | (35,832)         |
| Benefits                 | 13,895           | (15,886)         |
| Other personnel expenses | -                | (283)            |
|                          | <u>(151,843)</u> | <u>(137,194)</u> |

## 24 Administrative expenses

|                                      | <u>2025</u>     | <u>2024</u>     |
|--------------------------------------|-----------------|-----------------|
| Properties, facilities and materials | (6,381)         | (7,574)         |
| Technology and systems               | (27,526)        | (36,231)        |
| Communications                       | (12,360)        | (11,488)        |
| Technical reports                    | (11,219)        | (6,264)         |
| Third-party services                 | (4,269)         | (3,270)         |
| Travel, transport                    | (2,786)         | (2,292)         |
| Advertising and marketing            | (225)           | (126)           |
| Other administrative expenses        | (5,166)         | (1,280)         |
|                                      | <u>(69,932)</u> | <u>(68,525)</u> |

## 25 Tax expenses

|                    | <u>2025</u>     | <u>2024</u>     |
|--------------------|-----------------|-----------------|
| ISS / PIS / COFINS | (24,057)        | (33,369)        |
| Other taxes        | (2,263)         | (1,799)         |
|                    | <u>(26,320)</u> | <u>(35,168)</u> |

## 26 Other operating revenues

|                                                  | <u>2025</u>    | <u>2024</u>   |
|--------------------------------------------------|----------------|---------------|
| Recovery of charges and expenses                 | -              | 887           |
| Foreign exchange variations                      | 378,898        | -             |
| Reversal of operational provision                | -              | 11,170        |
| Reversal of provision for contingent liabilities | 2,355          | 2,987         |
| Other                                            | 9,999          | 34            |
|                                                  | <u>391,252</u> | <u>15,078</u> |

## 27 Other operating expenses

|                                   | <u>2025</u>    | <u>2024</u>        |
|-----------------------------------|----------------|--------------------|
| Civil, tax and labor proceedings  | (4,930)        | (3,302)            |
| Provision for guarantees provided | -              | (116,804)          |
| Changes in foreign exchange       | -              | (941,887)          |
| Other                             | (3,056)        | (87)               |
|                                   | <u>(7,986)</u> | <u>(1,062,080)</u> |

## 28 Related Parties

### a. Transactions with controlling shareholders (direct and indirect)

The balances of transactions with parties related to Sumitomo Mitsui Banking corporation are as follows:

|                                                             | <u>ASSETS /<br/>(LIABILITIES)</u> |                    | <u>REVENUES /<br/>(EXPENSES)</u> |                    |
|-------------------------------------------------------------|-----------------------------------|--------------------|----------------------------------|--------------------|
|                                                             | <u>2025</u>                       | <u>2024</u>        | <u>2025</u>                      | <u>2024</u>        |
| Cash and cash equivalents - foreign currency deposits       | 18,385                            | 12,658             | -                                | -                  |
| Investments in foreign currency abroad (Note No. 4)         | 255,310                           | 650,210            | 4,178                            | 56,937             |
| Amounts receivable - commission for business intermediation | 8,478                             | 10,461             | 18,486                           | 33,982             |
| Obligations for overseas loans                              | (379,099)                         | (1,128,165)        | 5,613                            | (281,155)          |
| Foreign relendings                                          | (3,301,990)                       | (5,316,177)        | 50,072                           | (856,377)          |
| <b>Total</b>                                                | <b>(3,398,916)</b>                | <b>(5,771,013)</b> | <b>78,349</b>                    | <b>(1,046,613)</b> |

SMBCB's key personnel were defined as all members who make up its Executive Board.

The global compensation amount is paid to Executive Officers in accordance with the Bylaws of Banco Sumitomo Mitsui Brasileiro S.A.

In the most recent statutory reform in April 2025, the maximum global monthly compensation of the executive officers was set at R\$34 million (salaries).

***Short-term benefits to executive officers***

|                                                                               | <b>2025</b>   | <b>2024</b>   |
|-------------------------------------------------------------------------------|---------------|---------------|
| Salaries                                                                      | 8,789         | 7,236         |
| Variable compensation                                                         | 6,085         | 5,031         |
| Contributions to INSS (Social Security Contribution)/FGTS (Unemployment Fund) | 4,205         | 3,423         |
| <b>Total</b>                                                                  | <b>19,079</b> | <b>15,690</b> |

***Post-employment benefits***

As of December 31, 2025, and 2024, no loans, financing or any other advance were made by SMBCB to the Executive Board or any of their family members.

The members of the Executive Board did not hold any shareholding in SMBCB.

**29 Sponsored post-employment benefits**

SMBCB's actuarial liabilities were calculated in accordance with the model established in the respective plan and represent the number of commitments made and to be made.

IAS 19 established essential changes in the accounting for and disclosure of employee benefits, such as the removal of the corridor mechanism for recognizing the plan's liabilities, and changes in the criterion for recognizing the plan's assets (appreciations and devaluations). The adoption of the Standard applies to years started as from January 1, 2015, and the effects are recorded retrospectively in the books, as changes in accounting practices. Adopting this practice will basically lead to full recognition, as liabilities, of actuarial losses (*actuarial deficit*) not recognized to date, against an equity account.

**a. Retirement plan**

The Bank sponsors Banco Sumitomo Mitsui Brasileiro Sociedade de Previdência Privada ("Entity"), established on April 20, 1992, and primarily engaged in granting lump sum benefits and/or supplemental income to the Bank's employees and officers by means of a defined benefit plan. Participants (employees) are entitled to a benefit upon termination of the employment relationship, calculated according to regulatory provisions, whose amount will depend on the participant's salary and length of service at termination date.

As of December 31, 2025, we had no significant variations in actuarial update parameters.

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| <b>Description</b>                             | <b>Retirement Plan</b>                                    |                                                           |
|------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
|                                                | <b>December/2025</b>                                      | <b>December/2024</b>                                      |
| Present value of actuarial obligations         | 34,312                                                    | 33,383                                                    |
| Fair value of plan's assets                    | (26,388)                                                  | (28,358)                                                  |
| Deficit/ (Surplus) for covered plans           | 7,924                                                     | 5,025                                                     |
| Adjustments for permitted deferrals            |                                                           |                                                           |
| Net actuarial liabilities/ (assets) (Note 15b) | 7,924                                                     | 5,025                                                     |
| Actuarial assumptions:                         |                                                           |                                                           |
| Nominal discount rate for actuarial obligation | 11.81% p.a.                                               | 11.72% p.a.                                               |
| Estimated rate of nominal salary increase      | 4.00% p.a.                                                | 4.00% p.a.                                                |
| Estimated rate of nominal benefit increase     | 0.00% p.a.                                                | 0.00% p.a.                                                |
| Estimated inflation rate                       | 4.00% p.a.                                                | 4.00% p.a.                                                |
| Biometric table of general mortality           | AT-2000 reduced by 10% and segregated by gender           | AT-2000 reduced by 10% and segregated by gender           |
| Biometric table for classification as disabled | "Mercer" table                                            | "Mercer" table                                            |
| Expected turnover rate                         | Void                                                      | Void                                                      |
| Chance of entering retirement                  | 100% on the date of eligibility for the normal retirement | 100% on the date of eligibility for the normal retirement |

### ***Sensitivity Analysis***

The present value of the actuarial obligation is sensitive to changes in the main hypotheses: discount rate, salary growth and life expectancy. The impacts on the present value of the actuarial obligation are shown, considering the basic discount rate adopted for this Actuarial Appraisal:

| <b>Present Value of the Obligations</b> | <b>Sensitivity Analysis</b> |                      |
|-----------------------------------------|-----------------------------|----------------------|
|                                         | <b>December/2025</b>        | <b>December/2024</b> |
| Discount Rate: 0.25% decrease           | 579                         | 578                  |
| Discount Rate: 0.25% increase           | (560)                       | (560)                |

### **b. Health Plan**

The Health Plan offered by Banco Sumitomo Mitsui to its employees was contribution-based until November 2017, generating the obligation to extend the coverage in exchange for payment of the respective premiums to the Company's former employees and retired employees, in accordance with current regulations. Contributions to the plan were interrupted in December 2017, although there remains a group of employees who are entitled to this coverage, presenting the following actuarial liabilities:

| Description                                       | Health Plan                                                             |                                                                                                              |
|---------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
|                                                   | December/2025                                                           | December/2024                                                                                                |
| Net actuarial liabilities/ (assets) (Note 15b)    | 20,555                                                                  | 18,460                                                                                                       |
| Total                                             | 20,555                                                                  | 18,460                                                                                                       |
| <b>Actuarial Assumptions/Actuarial Hypotheses</b> |                                                                         |                                                                                                              |
| Nominal discount rate for actuarial obligation    | 11.31% p.a.                                                             | 11.68% p.a.                                                                                                  |
| Estimated inflation rate                          | 4.00% p.a.                                                              | 4.00% p.a.                                                                                                   |
| Biometric Turnover Table                          |                                                                         | Until 9 years SVC:<br>0.5/(Length of Service<br>+1)<br>From 10 years SVC:<br>0.075/(Length of Service<br>+1) |
| Biometric retirement entry table                  | Banco Sumitomo 2025<br>Experience<br>55 years                           | 55 years                                                                                                     |
| Biometric table of general mortality              | AT-2000 segregated by<br>gender<br>7.12% p.a. 3.00% p.a.<br>actual rate | AT-2000 segregated by<br>gender<br>7.12% p.a. 3.00% p.a.<br>actual rate                                      |
| Health Care Cost Trend Rate (HCCTR)               | Inflation (HCCTR)                                                       | Inflation (HCCTR)                                                                                            |
| Restatement of the Participant's Contribution     | Inflation (HCCTR) +<br>Aging Factor                                     | Inflation (HCCTR) +<br>Aging Factor                                                                          |
| Restatement of the Plan's Cost                    | Retirement: 100%<br>Termination: 100%                                   | Retirement: 100%<br>Termination: 100%                                                                        |
| Percentage of People Opting to Remain in the Plan | 3.00% (per year - age)                                                  | 3.00% (per year - age)                                                                                       |
| Aging Factor                                      | 90% Married                                                             | 90% Married                                                                                                  |
| Family Members – Active                           | 4 years                                                                 | 4 years                                                                                                      |
| Age Difference Between Holder and Spouse          | Real family                                                             | Real family                                                                                                  |
| Family Members - Retired                          |                                                                         |                                                                                                              |

## 30 Other disclosures

### a. Assets pledged as collateral

The amounts of financial assets pledged as collateral for repo transactions agreed with other banks or clients and margin guarantee deposits for SMBCB operations at B3 S.A. - Brasil, Bolsa, Balcão correspond to:

|                                                      | 2025             | 2024             |
|------------------------------------------------------|------------------|------------------|
| Margin for B3 S.A.- Brasil, Bolsa, Balcão operations | 1,398,656        | 1,197,034        |
| Other assets pledged as collateral - surety          | 179,320          | 259,932          |
|                                                      | <u>1,577,976</u> | <u>1,456,966</u> |

### b. Relevant client operations

No revenue from transactions with a single external client or counterparty reached 10% or more of SMBCB's total revenue in 2025 and 2024.

## 31 Risk management

SMBCB constantly seeks to assess and improve its risk management framework, influencing its culture and the way it operates. This practice is based on standardized and objective procedures, methods and techniques to monitor, measure, mitigate and report exposures to any nature in the various activities and processes developed, products or services offered, to support the continuous sustained development of its activities.

For SMBCB, the principles of prudence and ethics are always present in policies, standards, procedures and goals. Decisions are based on factors that combine return on measured and assessed risk. It also promotes the acculturation of employees at all hierarchical levels.

SMBCB's Risk Management Framework has policies that adhere to best market practices and is in line with the guidelines defined by the regulatory body.

**(i) Risk management methodology**

SMBCB addresses the management of risks inherent to its activities within a process of continuous improvement, aiming to monitor business evolution and minimize risks that could compromise the quality of this management.

The risk management methodology is suitable for SMBCB's activity profile, and it is also worth highlighting that the Compliance and Internal Audit structures are important elements in improving the methodology.

The risk management framework allows risks to be effectively identified, measured, mitigated, monitored and reported to the Executive Board.

**(ii) Risk appetite**

Risk appetite determines SMBCB's willingness to take risks to achieve its objectives versus the potential return. This appetite is influenced by several factors, internal and external, and determined by the Bank's Executive Board, aligned with its corporate strategy.

The risk monitoring process is corporate-wide, being considered right from SMBCB's budget planning process. Risk appetite is continually reassessed, according to changes in the environment - both internal and market changes.

SMBCB is characterized by its extremely conservative profile, with the governance structure committed to defining and constantly monitoring the risk appetite adopted.

**(iii) Market Risk**

Market risk is the possibility of losses resulting from fluctuations in the market prices of positions held by SMBCB.

In line with the best corporate governance practices, with the objective of preserving and strengthening the management of market and liquidity risks at SMBCB, as well as complying with the provisions of current regulations, market risk management involves several areas, which have specific responsibilities in the process, ensuring an efficient structure for measuring and controlling market risk.

The Executive Board approved the Market Risk Management Policy, which is reviewed at least annually, providing the main guidelines for acceptance, control and management of market and liquidity risk.

SMBCB's market risk exposure profile is highly conservative, with guidelines and limits monitored daily by an independent risk unit.

SMBCB's limit structure is defined by the risk area of its headquarters, taking into account the Bank's operating profile in the country.

Market risk control is carried out by an independent area of Treasury (business unit) and responsible for producing control reports on established limits, monitoring actions defined regarding positions and supporting the review and approval of products to verify compliance with institutional risk policies.

The limits used to control Market Risk are reviewed annually. The following market risk measurement methodologies and control limits are used: exposure in foreign currency (FX), *Stop Loss* (methodology that aims to review positions, if accumulated losses in a given period reach a certain amount), and sensitivity to changes in the term structure of interest rates, BPV (market risk measurement methodology that verifies the change in the market value of positions after a shock of 0.01% - one *basis point* - in interest rates).

In addition, Stress Test reports and regulatory capital reports are produced (IRRBB - regulatory capital for interest rate risk in the Banking Book, Regulatory Capital for the Trading Book), in accordance with the requirements of the Central Bank of Brazil (Bacen);

Market risk management follows the segregation of operations in the Trading Book and Banking Book, in accordance with the criteria established by CMN Resolution 4.557 and BACEN Circular Letter 3.354 (local standards that establish requirements to be observed by financial institutions in risk management).

Seeking to fit exposures within the defined limits, Banco Sumitomo Mitsui Brasileiro S.A. hedges exposures in the trading book arising from transactions with clients, mostly by Derivatives.

**(iv) Operational Risk**

Operational risk is defined as the risk of loss arising from deficiencies, failures or inadequacy of internal processes, involving people, systems, or external events. This definition includes the legal risk associated with inadequacy or deficiency in contracts signed by SMBCB, as well as sanctions due to non-compliance with legal provisions and compensation for damages to third parties resulting from the activities carried out by SMBCB.

**a. Business continuity plan**

SMBCB, in order to be prepared to minimize the financial, operational, legal and regulatory impacts caused by the unavailability of physical and logical access, provides its clients with essential products and services, as well as the information required by official bodies and representatives abroad, has established a Business Continuity Plan (BCP), with the objective of establishing and implementing means/mechanisms to protect the physical integrity of people and ensure the continuity of the Bank's critical business, in the face of events/incidents that may generate interruptions /outages, such as, but not limited to: fire, explosions, bomb threats, strikes, social unrest, power outage and failures in critical systems or in the Bank's technology and support infrastructure.

**b. Consolidated management of operational risk events**

Banco Sumitomo has a database, whose main objective is to assist the decision support system, storing different types of operational risk data in a single structure, facilitating any type of analysis (quantitative and/or qualitative) that can be carried out using all operational risk data

available. Operational risk events are then reviewed, analyzed and monitored to improve operational procedures and develop historical loss data.

The guidelines for quantifying the impact of operational risk follow a simple and linear approach to facilitate integration into a single risk measure. In this scenario, the compound of impact versus probability of occurrence versus frequency of occurrence can measure the degree of severity of an operational risk event.

The Operational Risk Management unit follows a continuous cycle that addresses the presentation of events that occurred at SMBCB, reporting of mitigating actions taken, monitoring of these actions and new analysis to measure the results.

The management reports produced by the operational risk management unit are reported monthly through the operational risk management committee.

**(v) Credit Risk**

***a. Introduction to credit risk treatment***

Credit Risk is defined as the possibility of the occurrence of losses related to non-compliance by the borrower or counterparty with their respective obligations under the terms agreed on, the devaluation of credit assets, deriving from the deterioration in risk rating of the borrower, a decrease in gains or remunerations, the advantages granted in the renegotiation and recovery costs.

Under current regulations, SMBCB has a single department responsible for managing credit, market and liquidity risks. The structure is proportional in size to the risks relating to the complexity of the products offered by SMBCB, the nature of the operations and SMBCB's risk exposure guidelines.

In SMBCB's organizational structure, the risk monitoring function is represented by an independent board from the business and audit area, which is essential for having an independent vision and control of risk.

The Executive Board of SMBCB is responsible for providing the necessary resources for effective risk management and for monitoring the activities inherent to this management. The periodic reports, as well as the guidelines adopted by the Credit Risk Management Area, are assessed and approved by the Executive Board of SMBCB.

**Maximum exposure to credit risk**

Credit risk related to assets recorded in the Statement of financial position:

|                                                        | 2025       | 2024       |
|--------------------------------------------------------|------------|------------|
| Marketable securities                                  |            | -          |
| Investments in repo transactions                       | 4,717,551  | 3,743,449  |
| Interbank deposits                                     | 300,655    | 1,995,996  |
| Loans and receivables from customers                   | 698,920    | 921,547    |
|                                                        | 2,522,892  | 3,105,886  |
| Credit risk related to off-balance sheet transactions: | 8,240,018  | 9,766,878  |
| Guarantees provided                                    |            |            |
| <b>Maximum exposure to credit risk</b>                 | 1,831,364  | 3,053,557  |
|                                                        | 1,831,364  | 3,053,557  |
|                                                        | 10,071,382 | 12,820,435 |

**b. Credit risk cycle**

SMBCB has control over the current position and potential future exposure of transactions where there is counterparty risk. Counterparty credit risk consists of the possibility of a counterparty not fulfilling its obligations, financial or otherwise, causing losses to SMBCB. All risk exposure and counterparty performance are analyzed in the credit limit granting process, forming part of the general credit limits granted to clients.

**c. Measures and measurement tools**

**c.1 Credit quality ratings (rating tools)**

SMBCB has policies and procedures for granting credit approved by a Credit Committee and incorporated into SMBCB's internal control systems. Such policies and procedures determine the need to assess client data to define the obligor grade (*grading*), considering the following aspects:

**Quantitative:** balances from statements of financial position, statements of profit or loss and cash flows are entered into the GBR system, which automatically carries out (i) a balance sheet analysis, taking into account various parameters, such as evolution of net sales, EBITDA and respective margin, Profitability, evolution of Equity and total Assets, Gross Debt to Equity ratio and EBITDA and Equity to Total Assets ratio, among other parameters, and (ii) assignment of obligor grade.

**Qualitative:** general aspects of the client are considered, such as market position, company management, reliability of numbers, punctuality and delays in payments, credit limits and guarantees, among other factors, through consultations with class associations.

All loans, regardless of their amount and market segment of the borrower, are analyzed according to the criteria adopted by SMBCB and classified according to their *facility grade* (product grading).

This classification is reviewed and adjusted by the Risk Management Area according to delays in payments.

The *facility grade* follows the same principle as the *obligor grade* and the value attributed to this *grading* must be equal to the *obligor grade*, when there are no guarantees attached to the loan, or better to the *obligor grade*, when the transaction has some form of guarantee.

Each type of *obligor grade* has a rating from 1 to 18, as shown below:

| Obligor grade | Category                    |
|---------------|-----------------------------|
| 1             | Normal debtor               |
| 2             |                             |
| 3             |                             |
| 4             |                             |
| 5             |                             |
| 6             |                             |
| 7             |                             |
| 8             |                             |
| 9             |                             |
| 10            |                             |
| 11            |                             |
| 12            |                             |
| 13            |                             |
| 14            | Debtor requiring attention  |
| 15            |                             |
| 16            |                             |
| 17            | Potentially bankrupt debtor |
| 18            | Bankrupt debtor             |

The categories demonstrated above can be described as follows:

**Normal Debtor** - debtor who demonstrates good business performance and whose financial position is considered to have no specific problem;

**Debtor that Requires Attention** - debtor that needs to be monitored, with special attention. It may be a:

- Debtor who presents problems in their loans, such as reduction, forgiveness or suspension of interest payments;
- Debtor with problematic performance in relation to their loans, such as virtual delay in payment of principal and interest amounts; or
- Debtor with weak or unstable business performance, or with a problematic financial position.

**Potentially Bankrupt Debtor** - debtor considered to have a high possibility of going bankrupt in the future due to management difficulties and unsatisfactory progress in business improvements (including difficulty in obtaining financial support from financial institutions). Debtors in this category generally have, for example, the following characteristics:

- Negative equity, although still in operation;
- Extremely poor business performance;
- Concern regarding receipt of principal and interest amounts and, therefore, a high possibility of losses for SMBCB; or
- High possibility of bankruptcy in the future;

**Bankrupt Debtor** - the debtor is legally or formally bankrupt.

*c.2 Guarantees received (mitigating maximum exposure to credit risk)*

Guarantees are considered as a second source of payment to ensure credit recovery, and their assessment is carried out individually for each client based on strict rules from the Headquarters.

In this way, the definition of credit risk mitigators is carried out individually, when granting credit, considering the payment capacity through cash flow analysis, understanding potential and real business conditions.

Due to SMBCB's business focus, the guarantees are mostly based on issuance of letters of guarantee from the headquarters, covering the commercial risk of its branches in Brazil.

The efficiency assessment of these instruments is carried out periodically, with the aim of ensuring their liquidity and sufficiency (coverage margin).

- **Liquidity**

In other words, the ability to convert the guarantee into currency. In this sense, guarantees can be liquid, impacting the currency translation price.

- **Coverage Margin**

It is the percentage between the amount of the guarantee and the amount of the debt. In addition to the cost of money, one must consider the liquidity of the guarantee, that is, its greater or lesser convertibility.

*c.3 Distribution of credit risk*

SMBCB's business policy is focused on the credit market, meeting the need for branches of Japanese companies in Brazil, large multinationals and large national conglomerates.

*d. Liquidity Risk*

Liquidity risk covers *funding risk* and product or market risk. *Funding* liquidity risk is the uncertainty that SMBCB Sumitomo will be able to meet its *funding needs* or offset its rate and maturity mismatches. Market liquidity risk is the uncertainty that SMBCB will not be able to liquidate or offset its positions efficiently, that is, at reasonable prices.

Knowledge and monitoring of this risk are crucial, especially so that SMBCB Sumitomo can settle operations in a timely and safe manner.

The global Liquidity Risk Management policy is established by SMBCB Sumitomo headquarters and approved by the Executive Board, and is supported by three pillars:

Money Gap Management (need for *funding* within a certain period of time);

Establishment of the contingency plan; and

Emergency supplementary funds for liquidity.

This policy aims to ensure the existence of standards, criteria and procedures that guarantee SMBCB Sumitomo the establishment of a supplementary liquidity fund, as well as the existence of a strategy and action plans for liquidity crisis situations.

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*prepared according to the IFRS*

|                                                   | <b>December 31, 2025</b>     |                       |                       |                       |                  |
|---------------------------------------------------|------------------------------|-----------------------|-----------------------|-----------------------|------------------|
|                                                   | <b>In thousands of Reais</b> |                       |                       |                       |                  |
|                                                   | <b>In cash</b>               | <b>Up to 3 months</b> | <b>3 to 12 months</b> | <b>Over 12 months</b> | <b>Total</b>     |
| <b>Assets:</b>                                    |                              |                       |                       |                       |                  |
| Cash and cash equivalents                         | 46,089                       | 780,396               | -                     | -                     | 826,845          |
| Investments in repurchase transactions            | -                            | -                     | 300,655               | -                     | 300,655          |
| Marketable securities                             | -                            | 260,609               | -                     | 4,456,942             | 4,717,551        |
| Interbank deposits investments                    | -                            | -                     | 401,961               | 296,959               | 698,920          |
| Credit transactions                               | -                            | 279,199               | 1,671,215             | 572,478               | 2,522,892        |
| <b>Total assets</b>                               | <b>46,089</b>                | <b>1,320,204</b>      | <b>2,373,831</b>      | <b>5,326,379</b>      | <b>9,066,503</b> |
| <b>Liabilities:</b>                               |                              |                       |                       |                       |                  |
| Derivative financial instruments                  | -                            | -                     | 280,453               | -                     | 280,453          |
| Client deposits                                   | 85,945                       | 351,376               | 420,634               | 486,272               | 1,344,227        |
| Funding in the open market                        | -                            | -                     | 18,002                | 163,350               | 181,352          |
| Proceeds from acceptance and issue of securities  | -                            | -                     | 59,706                | 528,160               | 587,866          |
| Liabilities from loans and relending transactions | -                            | 714,674               | 1,324,384             | 1,642,031             | 3,681,089        |
| <b>Total liabilities</b>                          | <b>85,945</b>                | <b>1,066,050</b>      | <b>2,103,179</b>      | <b>2,819,813</b>      | <b>6,074,987</b> |
| <b>Difference (assets and liabilities)</b>        | <b>(39,856)</b>              | <b>254,154</b>        | <b>270,652</b>        | <b>2,506,567</b>      | <b>2,991,516</b> |

Control and monitoring of positions are carried out independently of the management area (Treasury Department). The risk area is responsible for measuring the minimum level of liquidity, reviewing policies, standards, criteria and procedures and carrying out studies for new recommendations.

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prepared according to the IFRS*

|                                                  | <b>December 31, 2024</b>     |                       |                       |                       |                   |
|--------------------------------------------------|------------------------------|-----------------------|-----------------------|-----------------------|-------------------|
|                                                  | <b>In thousands of Reais</b> |                       |                       |                       |                   |
|                                                  | <b>In cash</b>               | <b>Up to 3 months</b> | <b>3 to 12 months</b> | <b>Over 12 months</b> | <b>Total</b>      |
| <b>Assets:</b>                                   |                              |                       |                       |                       |                   |
| Cash and cash equivalents                        | 43,231                       | 3,134,867             | -                     | -                     | 3,178,098         |
| Derivative financial instruments                 | -                            | (29,464)              | 55,277                | 30,830                | 56,643            |
| Marketable securities                            | -                            | 104                   | 570,410               | 3,172,935             | 3,743,449         |
| Interbank deposits investments                   | -                            | -                     | 866,125               | 55,422                | 921,547           |
| Credit transactions                              | -                            | 73,582                | 1,977,393             | 1,054,912             | 3,105,887         |
| <b>Total assets</b>                              | <u>43,231</u>                | <u>3,179,089</u>      | <u>3,469,205</u>      | <u>4,314,099</u>      | <u>11,005,624</u> |
| <b>Liabilities:</b>                              |                              |                       |                       |                       |                   |
| Deposits from clients                            | 82,977                       | 518,603               | 643,280               | 476,876               | 1,721,736         |
| Proceeds from acceptance and issue of securities | -                            | -                     | -                     | 180,392               | 180,392           |
| Obligations for loans and Relending              | -                            | -                     | 4,043,716             | 2,400,679             | 6,444,395         |
| <b>Total liabilities</b>                         | <u>82,977</u>                | <u>518,603</u>        | <u>4,686,996</u>      | <u>3,057,947</u>      | <u>8,346,523</u>  |
| <b>Difference (assets and liabilities)</b>       | (39,746)                     | 2,660,486             | (1,217,791)           | 1,256,152             | 2,659,101         |

## Fair Value Hierarchy

The table below presents financial instruments recorded at fair value as of December 31, 2025, and 2024, in the Consolidated accounts, classified in different hierarchical levels of fair value measurement:

|                                                     | <b>12.31.2025</b>                   |                                                 |                  |                |                  |                  |
|-----------------------------------------------------|-------------------------------------|-------------------------------------------------|------------------|----------------|------------------|------------------|
| <b>Financial assets measured at fair value</b>      | <b>Fair Value in Profit or Loss</b> | <b>Fair Value in Other Comprehensive Income</b> | <b>Total</b>     | <b>Level I</b> | <b>Level 2</b>   | <b>Total</b>     |
| Marketable securities (note No. 7)                  | -                                   | 3,651,817                                       | <b>3,651,817</b> | -              | 3,651,817        | <b>3,651,817</b> |
| Interbank deposits investments (note No. 8a)        | 675,513                             | -                                               | <b>675,513</b>   | 675,513        | -                | <b>675,513</b>   |
|                                                     | <b>675,513</b>                      | <b>3,651,817</b>                                | <b>4,327,330</b> | <b>675,513</b> | <b>3,651,817</b> | <b>4,327,330</b> |
| <b>Financial liabilities measured at fair value</b> |                                     |                                                 |                  |                |                  |                  |
| Derivative financial instruments (note No. 6a)      | (280,453)                           | -                                               | <b>(280,453)</b> | -              | (280,453)        | <b>(280,453)</b> |
|                                                     | <b>(280,453)</b>                    | -                                               | <b>(280,453)</b> | -              | <b>(280,453)</b> | <b>(280,453)</b> |

  

|                                                | <b>31.12.2024</b>                   |                                                 |                  |                |                  |                  |
|------------------------------------------------|-------------------------------------|-------------------------------------------------|------------------|----------------|------------------|------------------|
| <b>Financial assets measured at fair value</b> | <b>Fair Value in Profit or Loss</b> | <b>Fair Value in Other Comprehensive Income</b> | <b>Total</b>     | <b>Level I</b> | <b>Level 2</b>   | <b>Total</b>     |
| Marketable securities (note No. 7)             | -                                   | 2,824,558                                       | <b>2,824,558</b> | -              | 2,824,558        | <b>2,824,558</b> |
| Interbank deposits investments (note No. 8a)   | 371,009                             | -                                               | <b>371,009</b>   | 371,009        | -                | <b>371,009</b>   |
| Derivative financial instruments (note No. 6a) | 56,643                              | -                                               | <b>56,643</b>    | -              | 56,643           | <b>56,643</b>    |
|                                                | <b>427,652</b>                      | <b>2,824,558</b>                                | <b>3,252,210</b> | <b>371,009</b> | <b>2,881,201</b> | <b>3,252,210</b> |

**Fair value of financial instruments measured at amortized cost:**

|                                                                                                   | <b>12.31.2025</b>  |                    | <b>12.31.2024</b>  |
|---------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|
|                                                                                                   | <b>Book value</b>  | <b>Fair Value</b>  | <b>Fair Value</b>  |
| <b>Financial assets measured at amortized cost</b>                                                |                    |                    |                    |
| Investments in repurchase agreements                                                              | 300,655            | 300,655            | -                  |
| Interbank deposits investments (note No. 8a)                                                      | 23,407             | 23,407             | 550,538            |
| Marketable securities (note No. 8b)                                                               | 1,065,734          | 1,065,734          | 918,891            |
| Loans and receivables from clients, net provision for expected credit losses (note No. 8c and 8f) | 1,228,120          | 1,228,120          | 2,846,672          |
|                                                                                                   | <b>2,617,916</b>   | <b>2,617,916</b>   | <b>4,316,101</b>   |
| <b>Financial liabilities measured at amortized cost</b>                                           |                    |                    |                    |
| Client deposits (note No. 12)                                                                     | (1,344,227)        | (1,344,227)        | (1,721,736)        |
| Open market funding (note No. 12)                                                                 | (181,352)          | (181,352)          | -                  |
| Proceeds from acceptance and issue of securities (note No. 12)                                    | (587,866)          | (587,866)          | (180,392)          |
| Obligations linked to loans and Relending (note No. 12b)                                          | (3,681,089)        | (3,681,089)        | (6,444,395)        |
|                                                                                                   | <b>(5,794,534)</b> | <b>(5,794,534)</b> | <b>(8,346,523)</b> |

**Metrics used in determining the fair value of main financial instruments**

**Interbank deposits investments:** For transactions in this group, the book value was considered as an approximation equivalent to fair value, since these are mostly short-term transactions.

**Financial assets with resale agreement:** For transactions in this group, the fair value of guarantees was considered.

**Marketable Securities:** Securities classified in the “financial assets measured at fair value in profit or loss” and “financial assets measured at fair value through other comprehensive income” categories are recorded at fair value based on market information, and on the use of standardized mark-to-market methods generally based on the discounted cash flow method.

**Credit and financial lease transactions:** For the credit and lease transactions included in the criteria above, the book value was considered as an appropriate approximation equivalent to the fair value.

**Deposits:** For term and cash deposits, the fair value was considered as the book value itself.

**Obligations linked to loans and Relending:** For pre- or post-fixed transactions, the book value was considered as an approximation equivalent to the fair value.

**Securities issued:** For pre- or post-fixed funding, the book value was considered as an approximation equivalent to the fair value.

## **32 Subsequent Events**

Until the date of approval of these financial statements, no important subsequent events were identified that would require an adjustment or additional disclosure, in accordance with the accounting practices adopted in Brazil and applicable to the institutions authorized to operate by the Central Bank of Brazil.