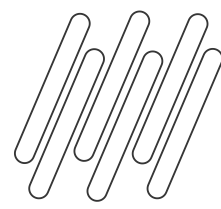


INSTITUTIONAL PRESENTATION

» Investor Relations

◀ 2021/ May



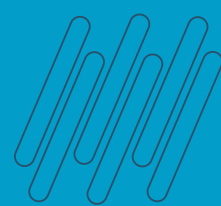
DISCLAIMER



The information contained in this presentation and any forward-looking statements that may be made, related to business outlook, operational and financial projections of TOTVS are based on beliefs and assumptions of the Company's management, as well as information currently available. Forward-looking statements are not guarantee of future performance. They involve risks, uncertainties and assumptions as they refer to future events and, hence, depend on circumstances that may or may not occur.

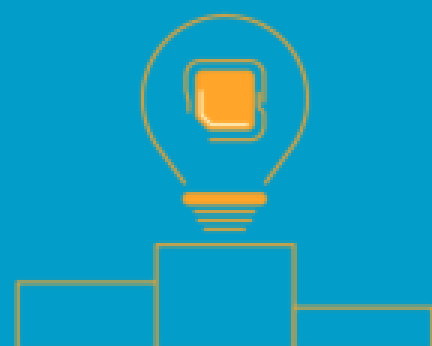
Investors must understand that general economic conditions, industry conditions and other operational factors could affect future performance of TOTVS and could lead to results that differ materially from those mentioned in these forward-looking statements.





TOTVS

TECHNOLOGY DRIVING PRODUCTIVITY AND COMPETITIVENESS OF BUSINESS IN 12 STRATEGIC MARKET SEGMENTS IN BRAZIL



#1 Software
Company in Brazil³



+50% Marketshare
(ERP leader in Brazil)³



R\$1.6 Trillion
produced by our clients
(represented by TOTVS' +30k clients)^{1 2}



14.6%
Technology Recurring
Revenue Growth
(1Q21)¹



81%
of Technology Revenue are
Recurring Revenue
(1Q21)¹



27%
SaaS Revenue
Growth
(2021)¹



+2 Bn
Credit
Production
(1Q21)¹

BUSINESS MODEL

- Recurring revenue base
- Cloud Bbse

DISTRIBUTION

- Local and digital presence, based on a highly capillary distribution model

BUSINESS PORTFOLIO

- Ecosystem of solutions covering 3 dimensions: Management, Techfin and Business Performance

M&A

- +25 M&A
- Main consolidator of Brazilian Tech Market

GOVERNANCE

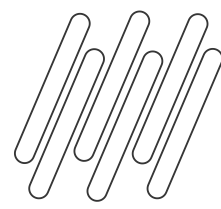
- Highest Level of Corporate Governance (B3 – Novo Mercado)
- Social Investment aligned with business strategy

Source:

(1) Company Filings, 1Q21.

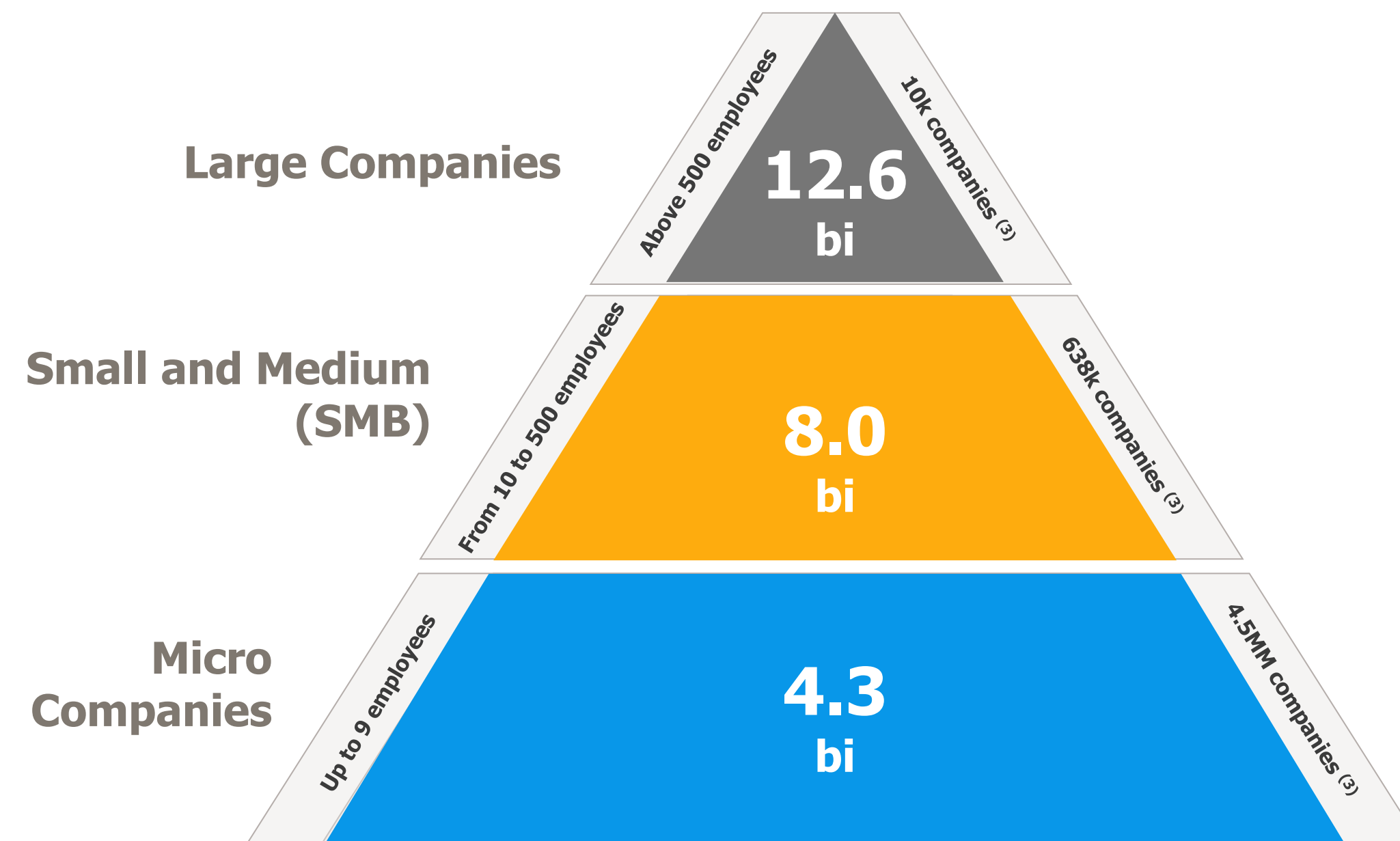
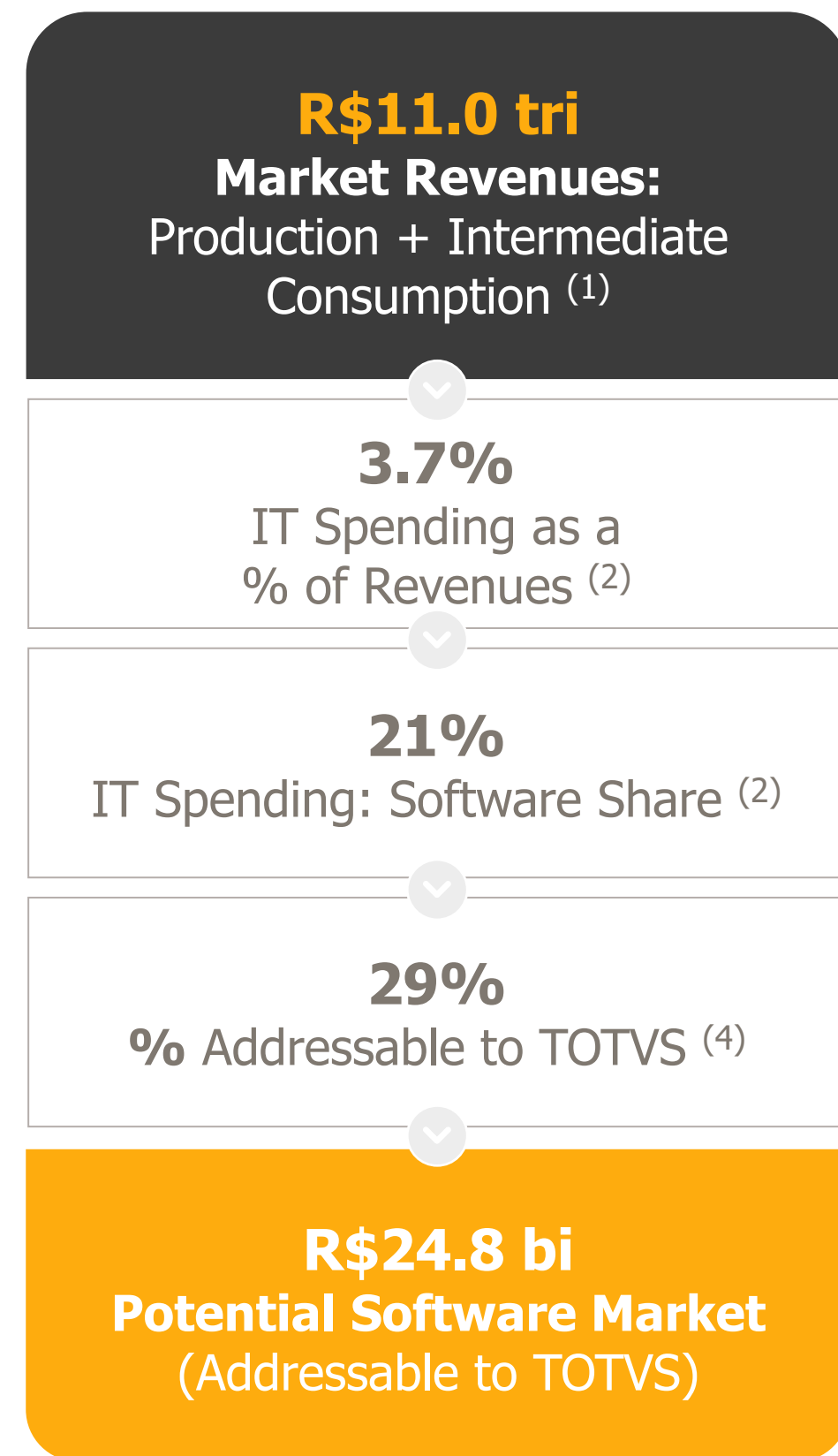
(2) Company internal estimates.

(3) Software Market Share Enterprise Application 2020 by Gartner



BUSINESS MODEL

ADDRESSABLE MARKET BY COMPANY SIZES (R\$)



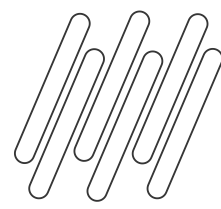
Global IT Spending as a % of Revenue ⁽²⁾
2013: 2.6% > 2019: 3.7%



Global IT Spending Software Share ⁽²⁾
2013: 20% > 2019: 21%



Enterprise Application Software Growth – Brazil ⁽⁵⁾
CAGR 17/23: 8.5%

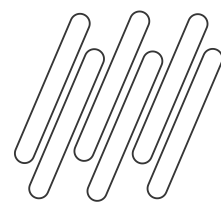


BUSINESS MODEL

Presence and partnership in all stages of the Customer Journey Cycle

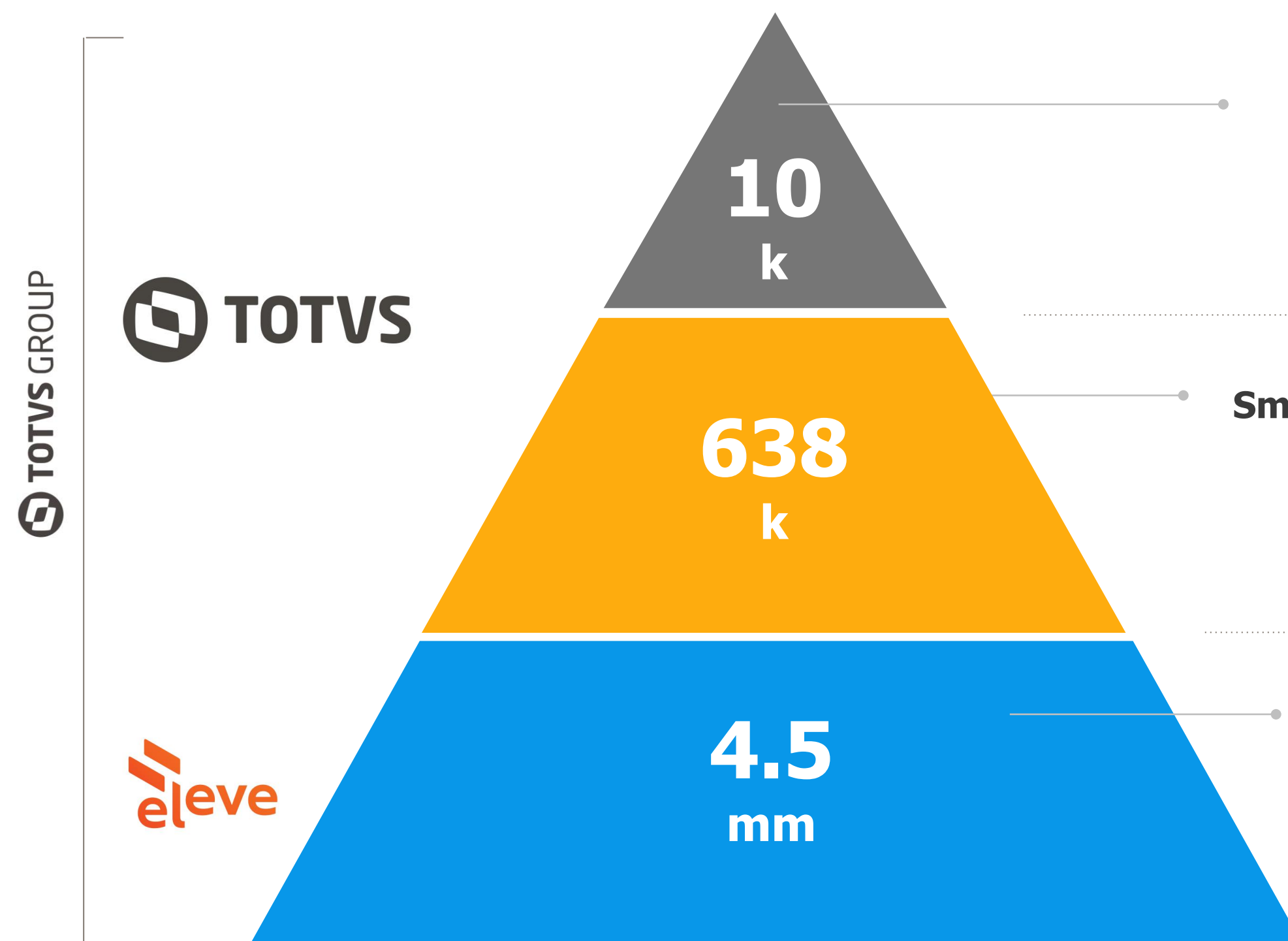


- Complete horizontal offering
- Business solutions for companies of all sizes in 12 business segments
- Flexibly deployed
 - Cloud
 - On-premise
- Distribution Model
 - Franchisees & Branches
 - Own sales force
 - Partnership
- Across media
 -



DISTRIBUTION

PHYSICAL CHANNELS



TOTAL NUMBER OF COMPANIES IN BRAZIL BY SIZE


COMPANY SIZE

Large Companies
More than
500 employees

Small and Medium (SMB)
From 10 to 500
employees

Micro Companies
Up to 9 employees

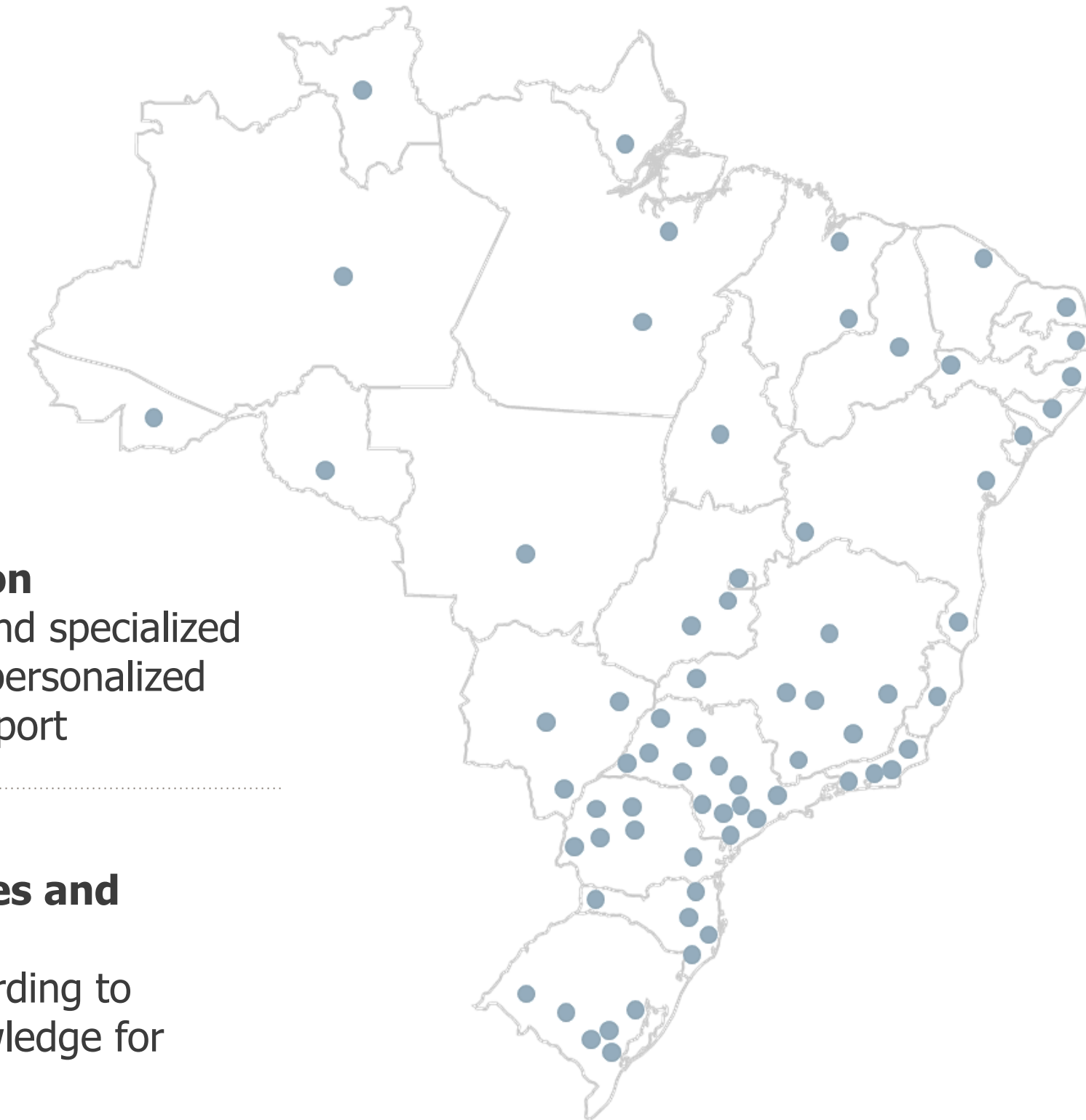


HOW WE RELATE

Large Enterprise Division
Own team with qualified and specialized
staff by industry, offering personalized
service and consulting support

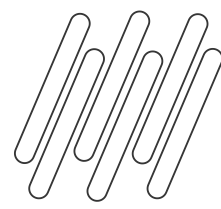
**52 Franchised Territories and
5 Branches**
Franchised territories according to
industry sector. Local knowledge for
SMB customers

Multichannel
Distribution model through partners from a
multichannel base that provides TOTVS
with unmatched penetration across all
regions in Brazil



DIGITAL CHANNEL - TOTVS STORE

TOTVS Store is the digital medium for interacting with customers, especially for cloud applications



BUSINESS PORTFOLIO

OUR ECOSYSTEM GOES WAY BEYOND THE ERP...

Diversity, deepness and flexibility are the characteristics of our portfolio based on ecosystem that cover three dimensions



MANAGEMENT

Robust ERP and technologies that automate key processes and **integrate all areas of the business.**



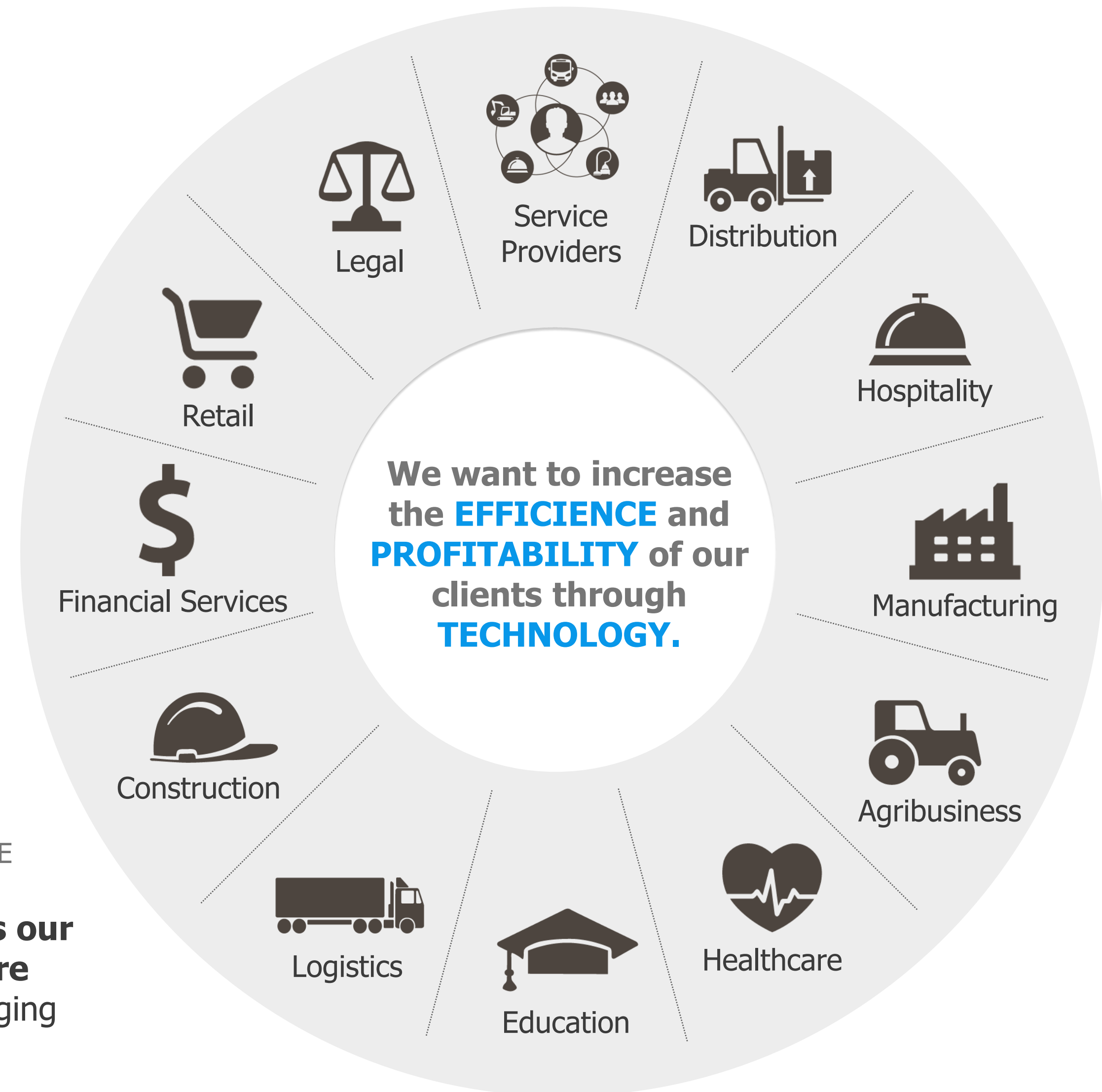
TECHFIN

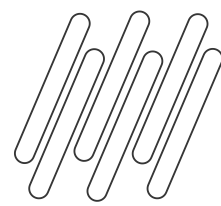
Credit and payments solutions to **simplify, expand and cheapen the access of its clientes to financial services** through technology and data.



BUSINESS PERFORMANCE

Products that **helps our clients to sell more and better**, leveraging their results and performance.





M&A & PARTNERSHIPS

UNIQUE PLAYBOOK BASED ON FOUR PILLARS

1st PILLAR

Reinforcing/
Defending the Core

2nd PILLAR

Deeping into
Segments

3rd PILLAR

Cross-Sell Solutions

4th PILLAR

New Markets



MANAGEMENT



TECHFIN



BUSINESS
PERFORMANCE

OPPORTUNITIES IN MANAGEMENT

1 ERP / HR

2 Verticals



OPPORTUNITIES IN TECHFIN

1 B2B Credit



3 Payments

2 Payroll
Credit



Retail
Education



OPPORTUNITIES IN BUSINESS PERFORMANCE

1 E-Commerce



3 CRM

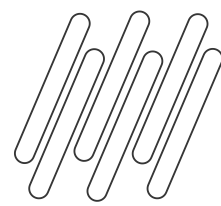


2 OMS



4 Marketing
Analytics





GOVERNANCE

BOARD OF DIRECTORS COMPOSITION



Highest level of Corporate Governance

(B3 – Novo Mercado)

Laércio Cosentino

Chairman
Co-Founder of TOTVS and
board member of Brasc

6 out of 7 board members are independent

Maria Letícia Costa

**Vice-Chairman
Independent Member**
Partner of Prada Assessoria
Empresarial and board
member of Localiza

Eduardo Vassimon

Independent Member
Chairman of the Board of
Directors of Votorantim S.A
and Board Member of B3*

Gilberto Mifano

Independent Member
Ex-presidente da B3*
Board member of Natura
and Cielo

Guilherme Stocco Filho

Independent Member
Member of B3* Technology
Committee

Mauro Cunha

Independent Member
Board Member of BRMalls
and Klabin

Sylvia Leão

Independent Member
Board Member of Sodimac
Brasil and Mendelics

ADVISORY COMMITTEES

Audit

monitors the procedures for compliance with legal provisions, evaluates risk management policies and recommends improvements to internal policies

Governance and Nomination

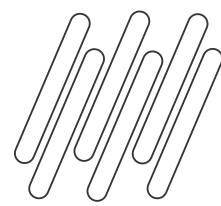
promotes the development of the Company's corporate governance and ESG strategy, evaluates the adoption of good practices and selects members to the Board of Directors and the Executive Board

Personnel and Compensation

responsible for advising the Board of Directors in establishing the terms of compensation and other benefits

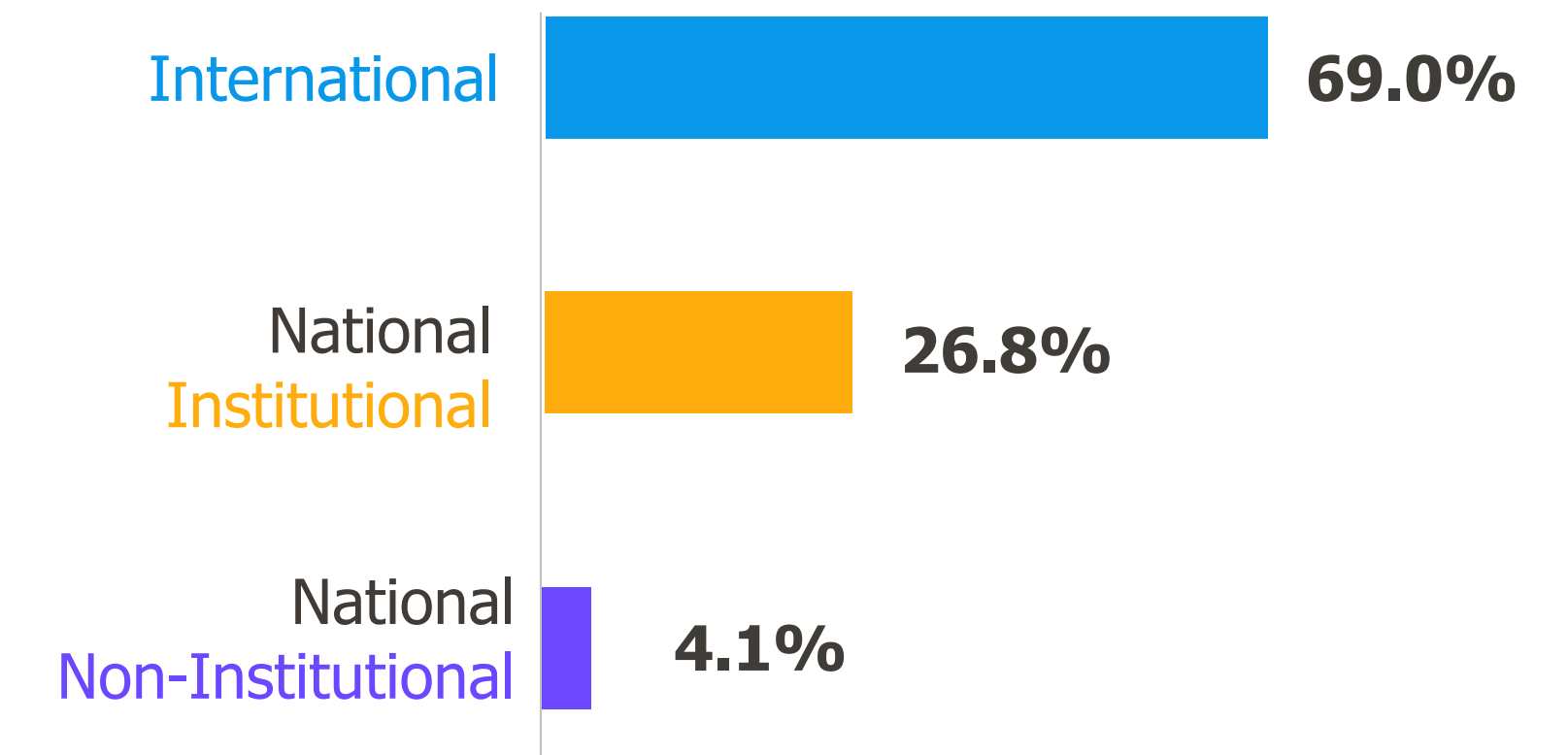
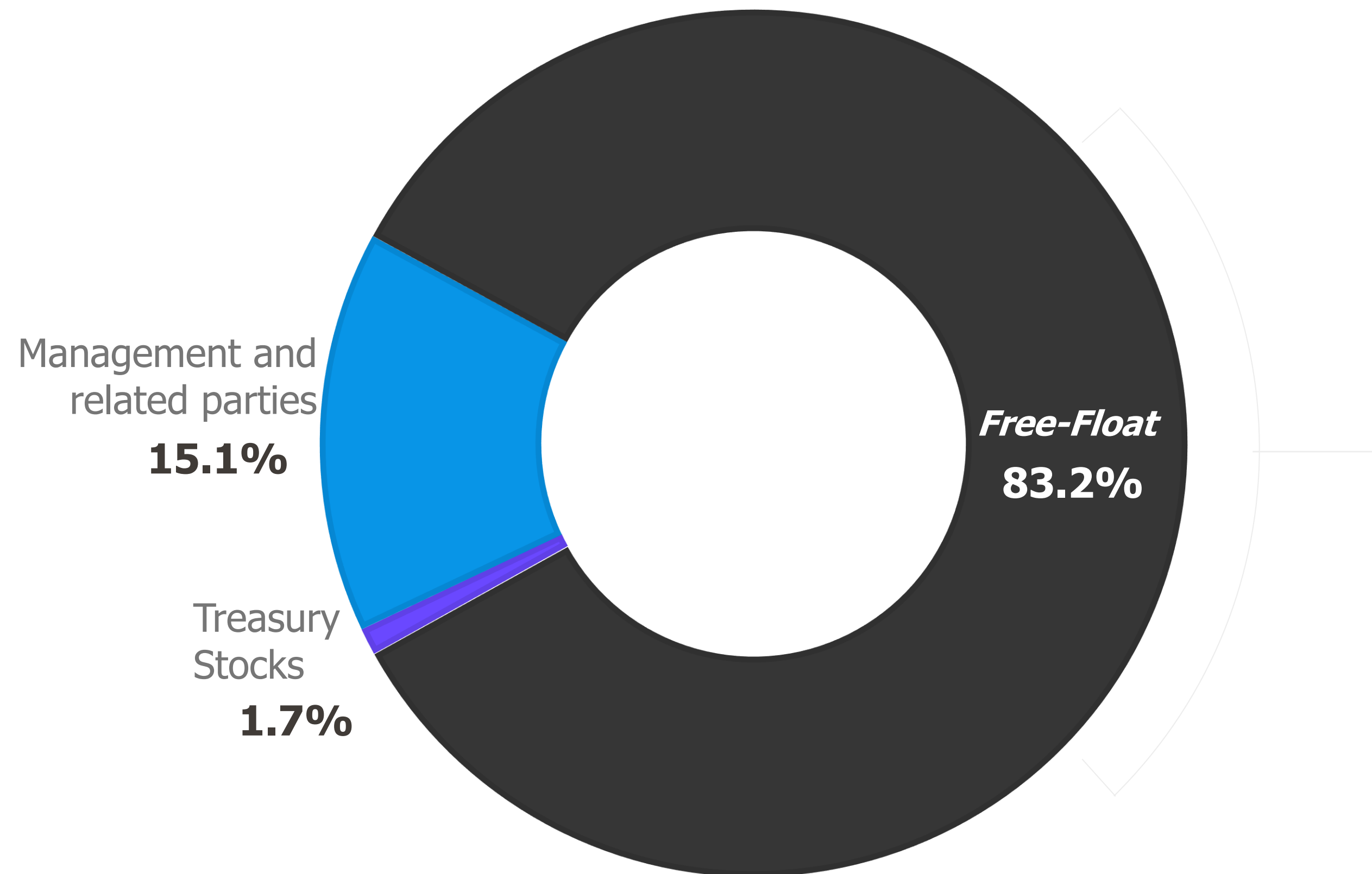
Strategy

studies, debates, evaluates, proposes and monitors the main guidelines of the corporate and technological strategy



GOVERNANCE

SHAREHOLDERS' STRUCTURE



- 83.2% *free-float*
- 69.0% of *free-float* held by **foreign investors**



OUR ENVIRONMENT AND OUR PEOPLE

- We attract professionals **with a sense of ownership;**
- We are **passionate for challenges and focused on results;**
- We establish the market rhythm providing **technology that transforms;**
- We promote a **serene, collaborative, inclusive and respectful** culture;
- We reward **meritocracy, efficiency and productivity;**
- We have a **transparent and balanced environment;**
- Our focus is on clients, **ensuring their success;**
- We recognize **the importance of all stakeholders** in TOTVS ecosystem.



#WEARETOTVERS CULTURE

defines our essence



TECHNOLOGY + KNOWLEDGE ARE OUR DNA

We have built a legacy for an ever-changing-world. We are always thinking about how to combine technology and knowledge to keep boosting innovation now and forever. We are creative and not afraid of making mistakes.



THE SUCCESS OF OUR CLIENT IS OUR SUCCESS

We anticipate the needs of our customers. We deliver quality in solutions that are more essential, simpler and more agile for businesses. Always there and nearby.



WE VALUE COMPETENT PEOPLE WHO ARE NICE PEOPLE

Curious, collaborative, digital and driven by results. We are driven by our own style, and we are restless. We are TOTVERS.

By geographic location

6,716 in Brazil



255 abroad



ARG



MEX



USA



RUS



COL



CHL



PORT

By gender



66%



34%

By leadership position



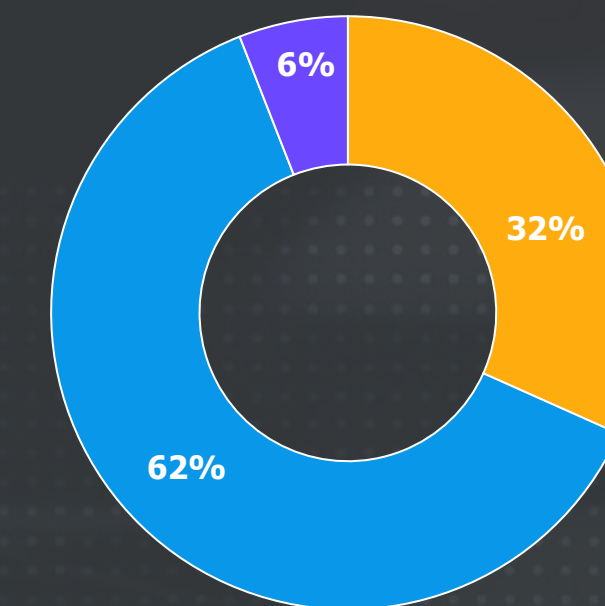
68%



32%

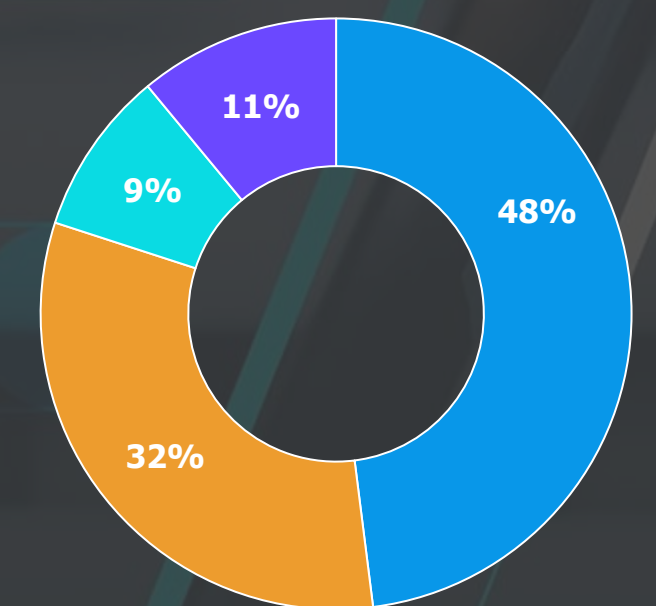
By age

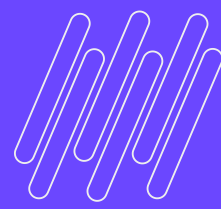
- Up to 30
- From 30 to 50
- Older than 50



By activity

- Services
- R&D
- Sales
- Adm / Others





► SOCIAL INVESTMENT

TOTVS MAINTAINS IOS AND BELIEVES THAT SOCIAL INVESTMENT DRIVES TRANSFORMATION

Free professional training for youth and disabled people, in the areas of Administration and Information Technology focused on employing skilled professionals in the economy of the future.

Indication of preselected graduating students to partner companies, and assistance in complying with the Law on Learning and the Law on Quotas for Disabled People.



38,000+ students
graduated under a 22 years track record



46% increase
in household income of students



2,000+ students
have completed IOS courses



1,400 students
employed with IOS assistance





01

FINANCIAL & OPERATIONAL HIGHLIGHTS

1Q21

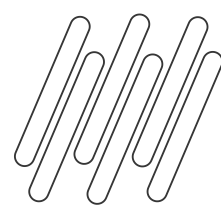


A
TOTVS
ACREDITA NO
BRASIL
QUE

FAZ

THE BRAZIL THAT MAKES IT HAPPEN, **DOES IT WITH TOTVS**

We started 2021 at the same pace we closed 2020: accelerating ! The construction of an Ecosystem of technologies for SMBs continued to consolidate, supported by a digitization journey aimed to exponentialize TOTVS' operations.

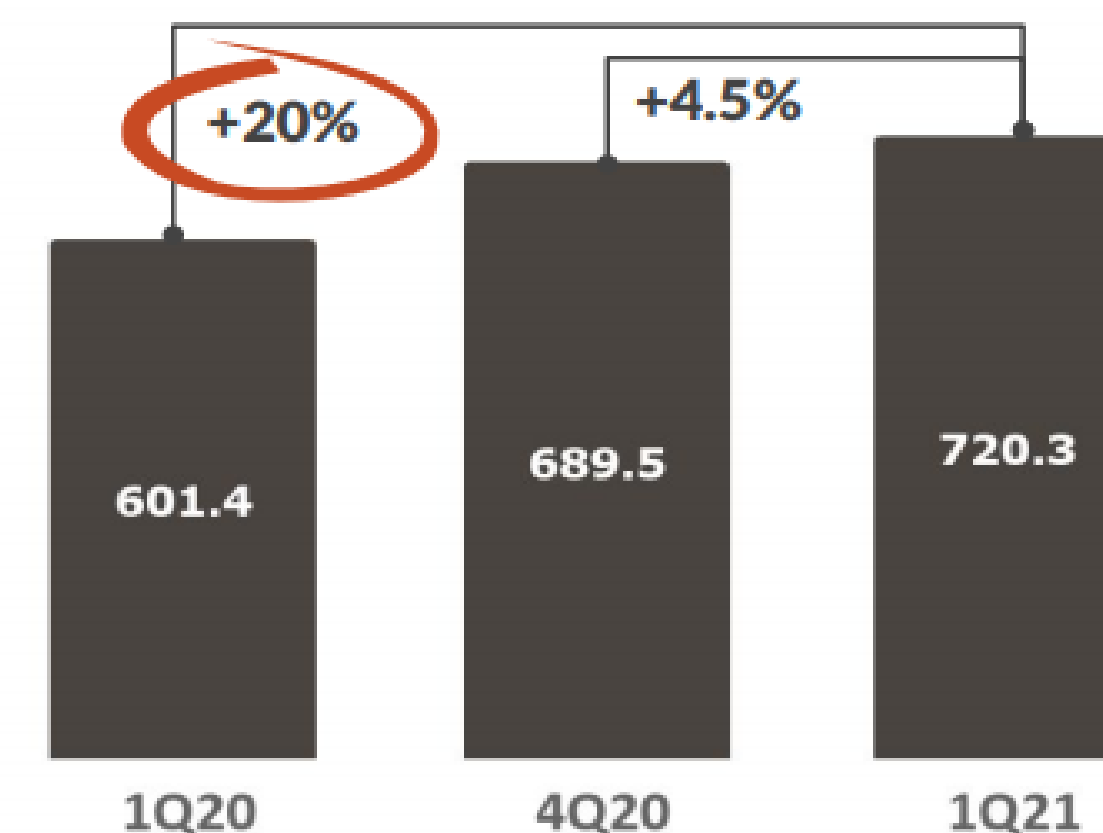


CONSOLIDATED RESULT

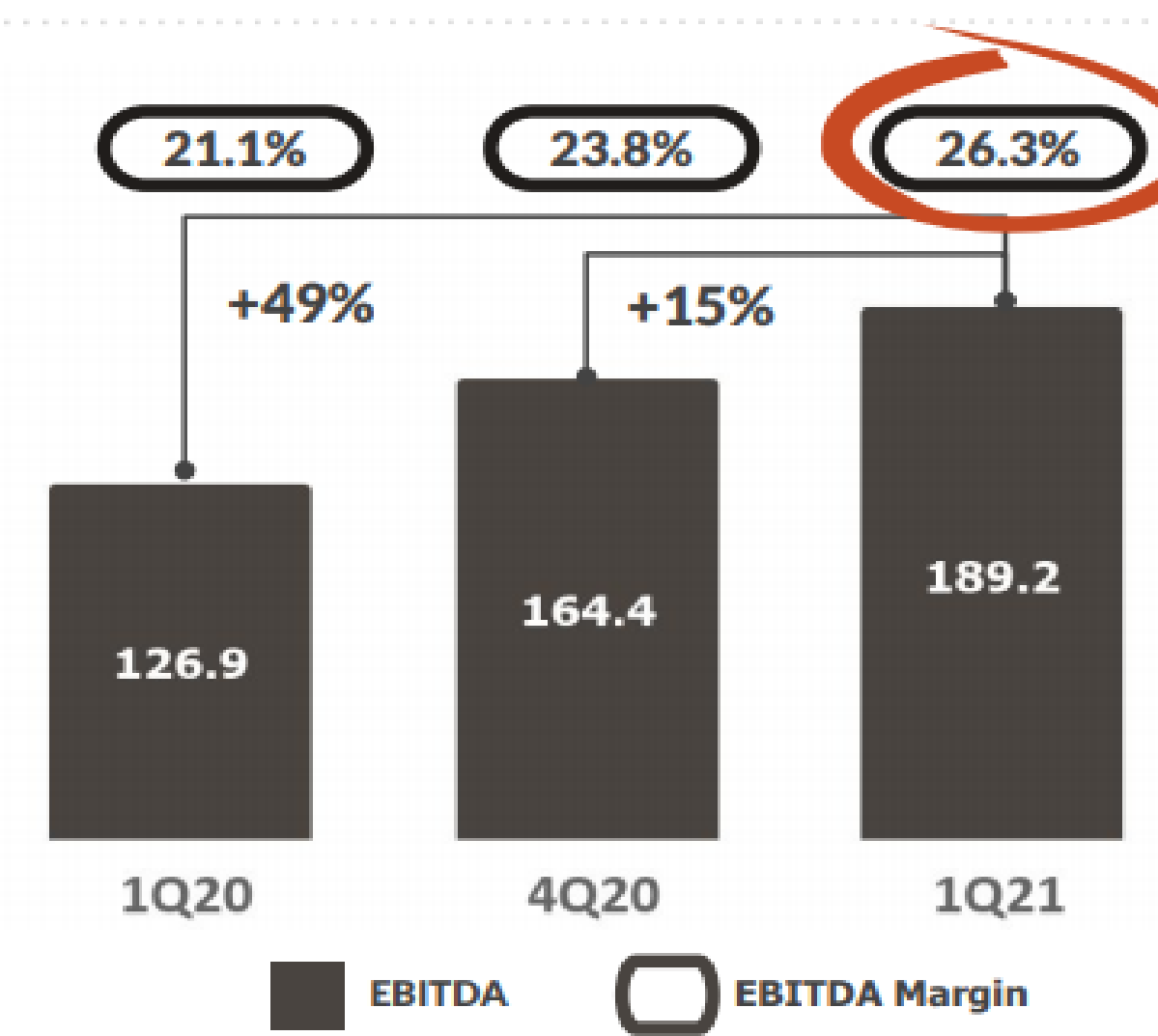
*The Consolidated Result reached **46 POINTS** within the **RULE OF 40'**, with **BALANCE** between **GROWTH** and **PROFITABILITY***



NET REVENUE



ADJUSTED EBITDA



EBITDA

EBITDA Margin

TECHNOLOGY RECURRING REVENUE R\$539 million +15% vs. 1Q20	SAAS REVENUE R\$199 million +27% vs. 1Q20
CASH EARNINGS** R\$97 million +43% vs. 1Q20	CREDIT PRODUCTION R\$2 billion HISTORICAL RECORD

*The Rule of 40 states that, at scale, a company's revenue growth rate plus EBITDA margin should be equal to or greater than 40%

**Net Income without the effects of expenses with amortization of intangible assets arising from acquisitions



02

AN ECOSYSTEM FAR BEYOND ERP...



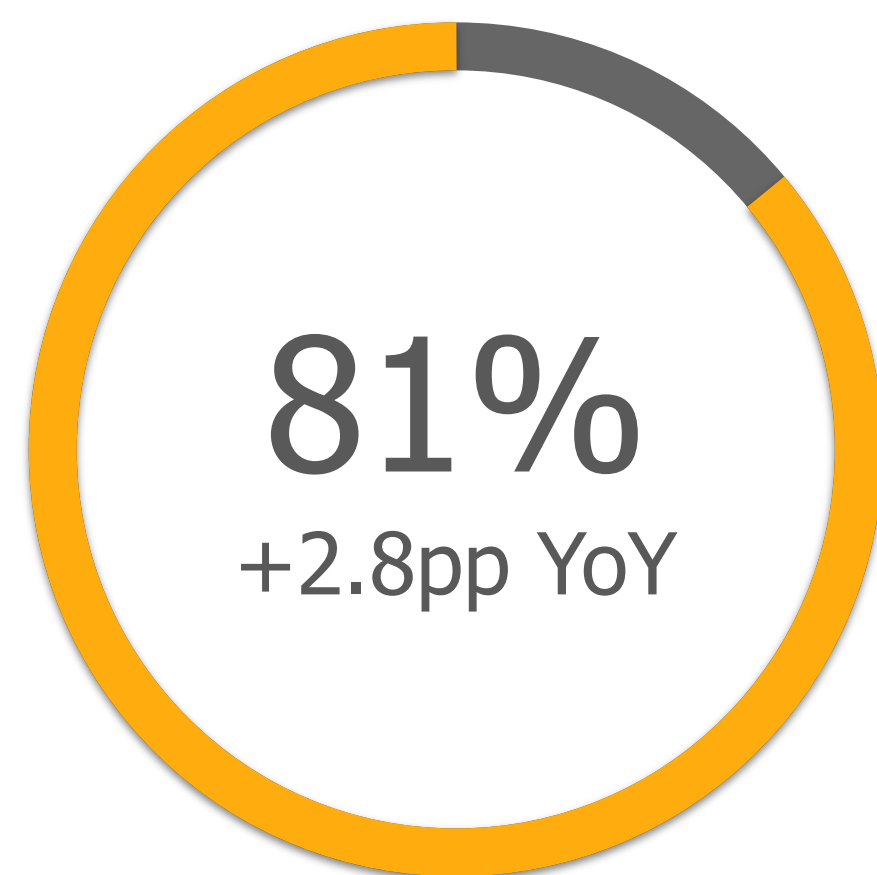
TECHNOLOGY

*Acceleration of Recurring Revenue driving Technology Revenue (+11% vs. 1Q20), having reached **R\$665 million in 1Q21***

R\$539 million
TECHNOLOGY RECURRING REVENUE

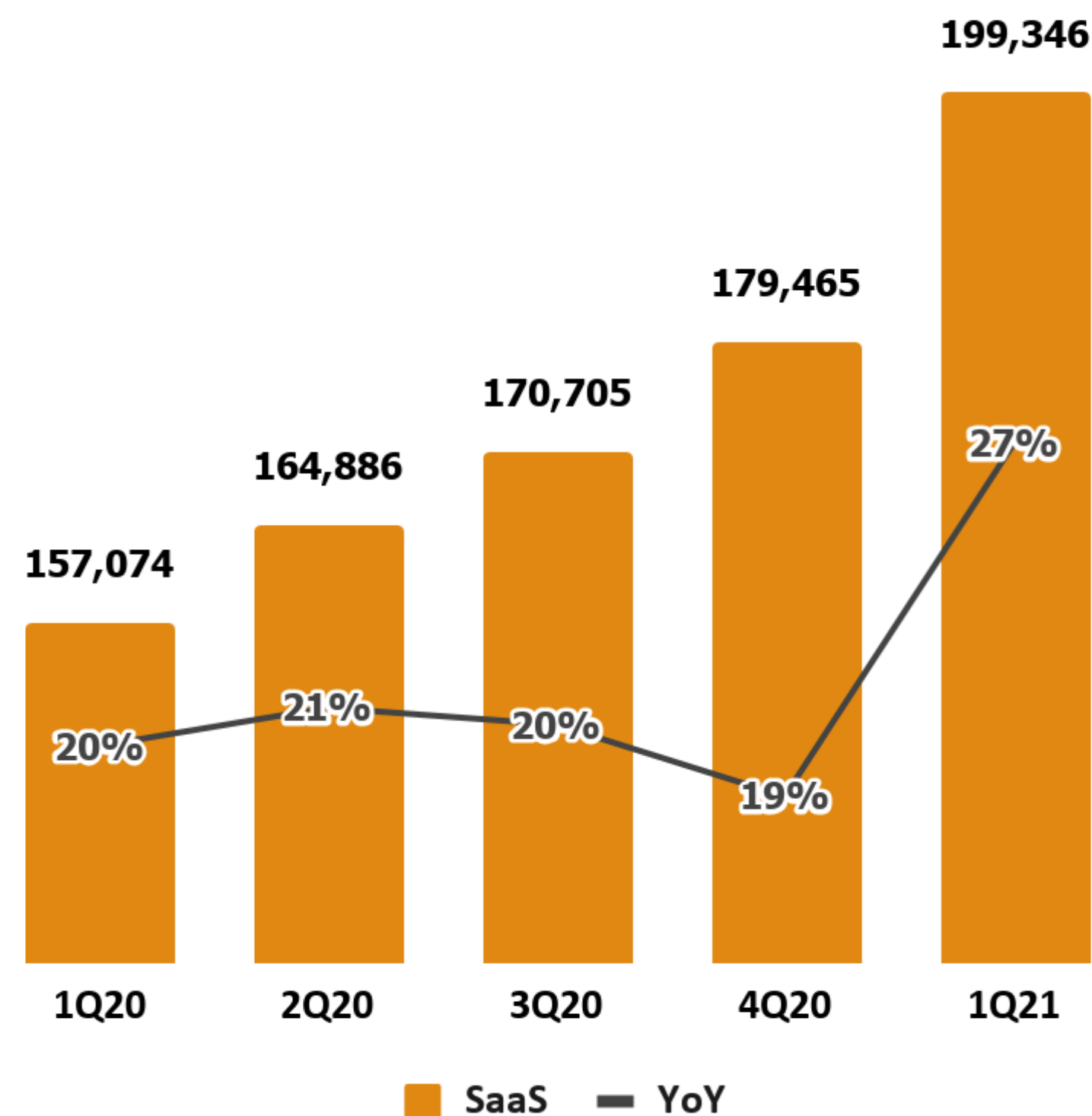
▲ **15%** vs. 1Q20

▲ **6.5%** vs. 4Q20



■ % of Recurring Revenue vs. Technology Revenue

R\$199 million
SAAS REVENUE



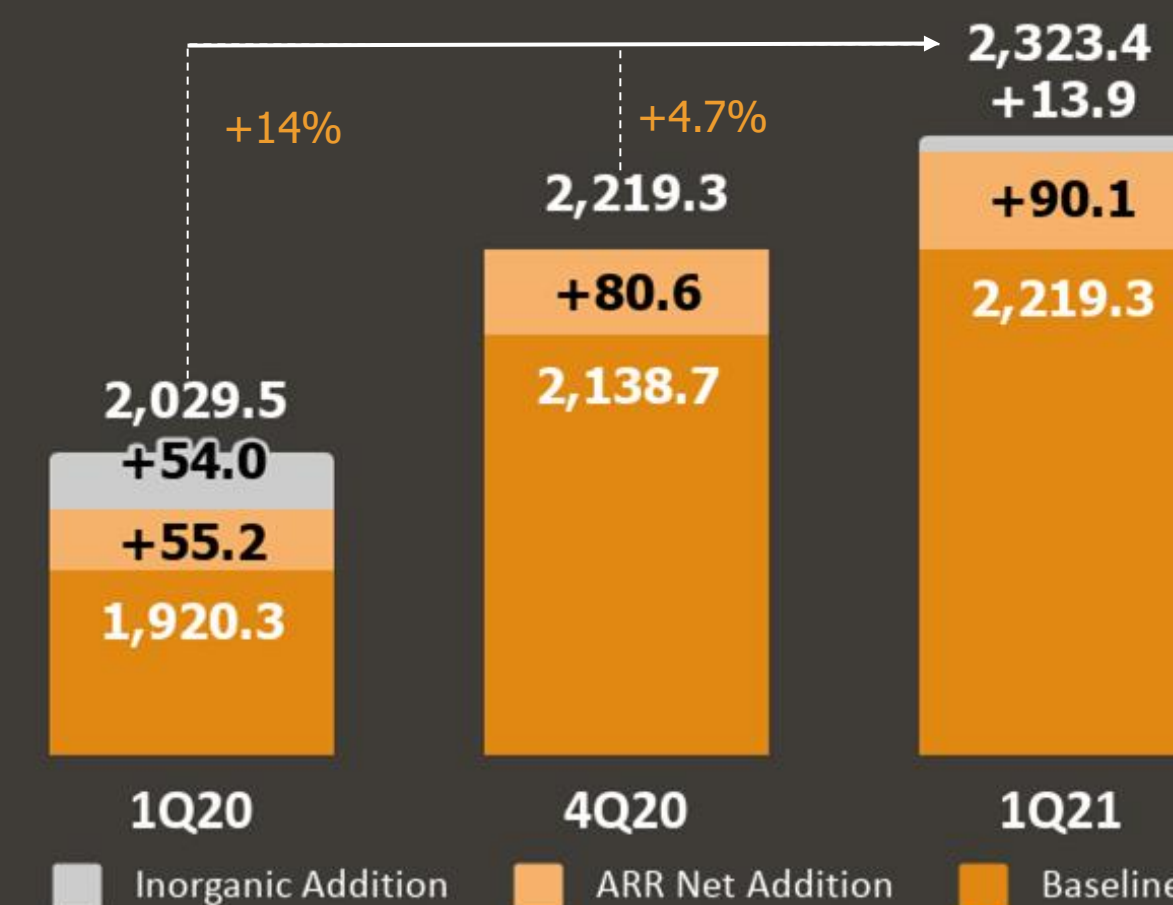
Expansion of Cloud Offerings

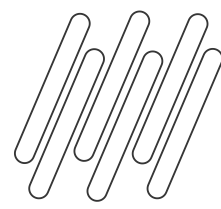
72% YoY signings growth, with the launch of a new version of the cloud services platform, T-Cloud, expanding services and improving the customer experience.

First product 100% PLG

"TOTVS Assinatura Eletrônica" is a **SaaS application**, with a simple and centralized platform that will simplify and speed up processes.

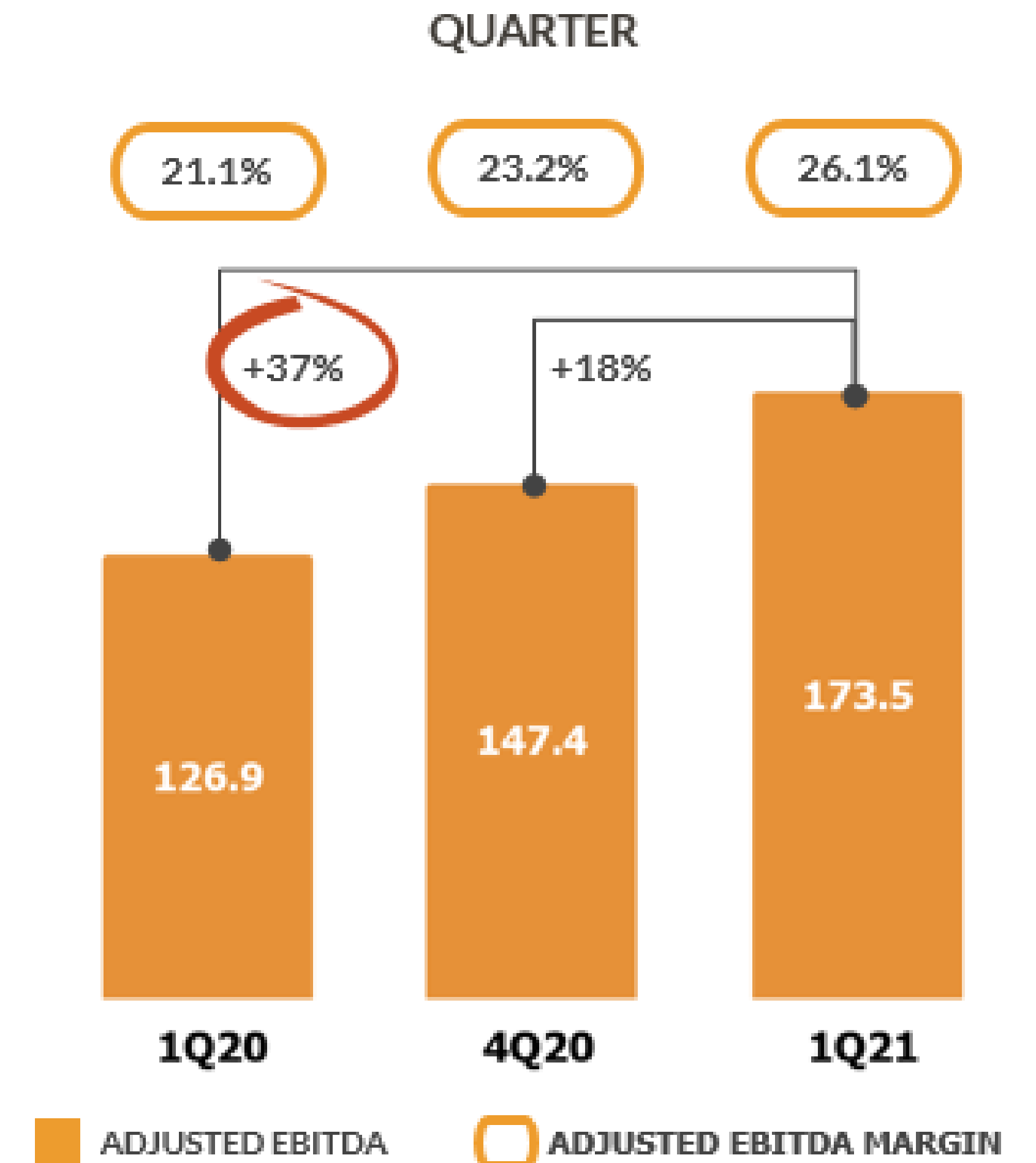
ARR - hist. record in net addition

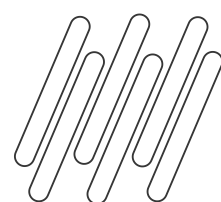




ADJUSTED EBITDA

***Record-breaking
Gross Margin**
from Technology (72%) +
Discipline with expenses =
+500bp vs. 1Q20*





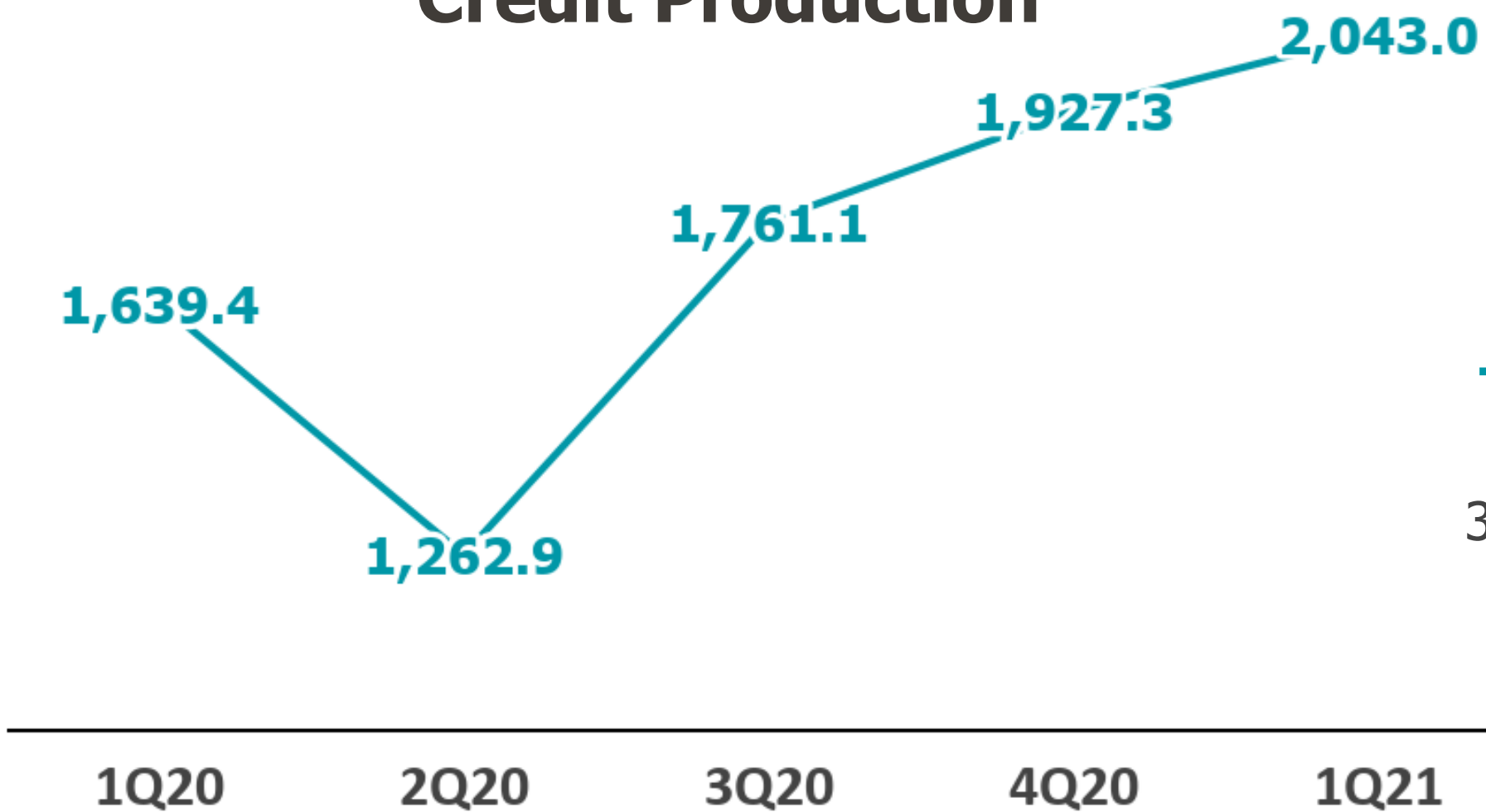
REVENUE

Historical record-breaking figures in Credit Production (+25% vs. 1Q20)
Largest Credit Portfolio position ever recorded by Supplier
Delinquency >90 DAYS = 0.7% (160bp below the Brazilian average)

Credit Revenue
R\$55 million
+17% vs. 1Q20*



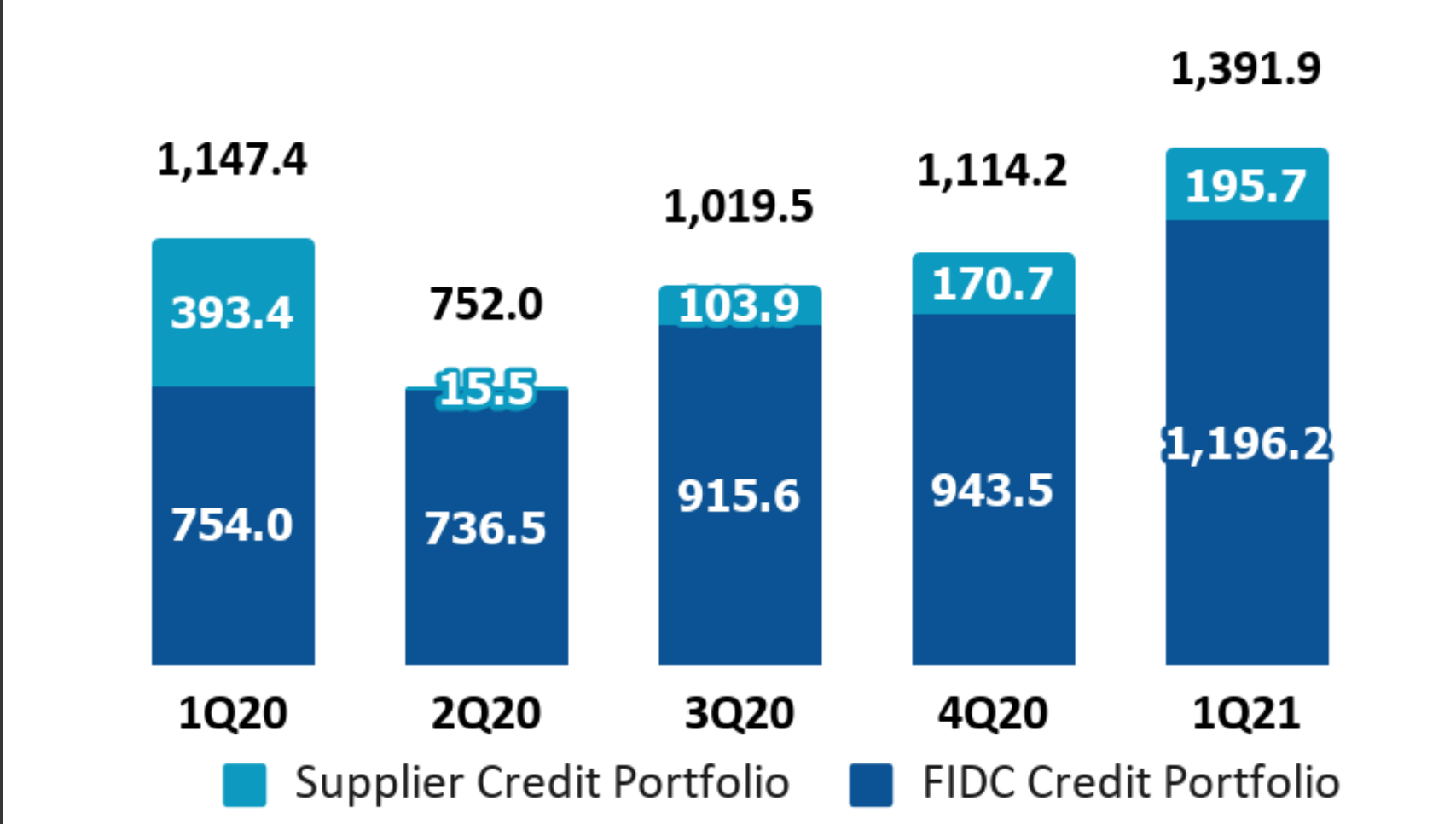
Credit Production



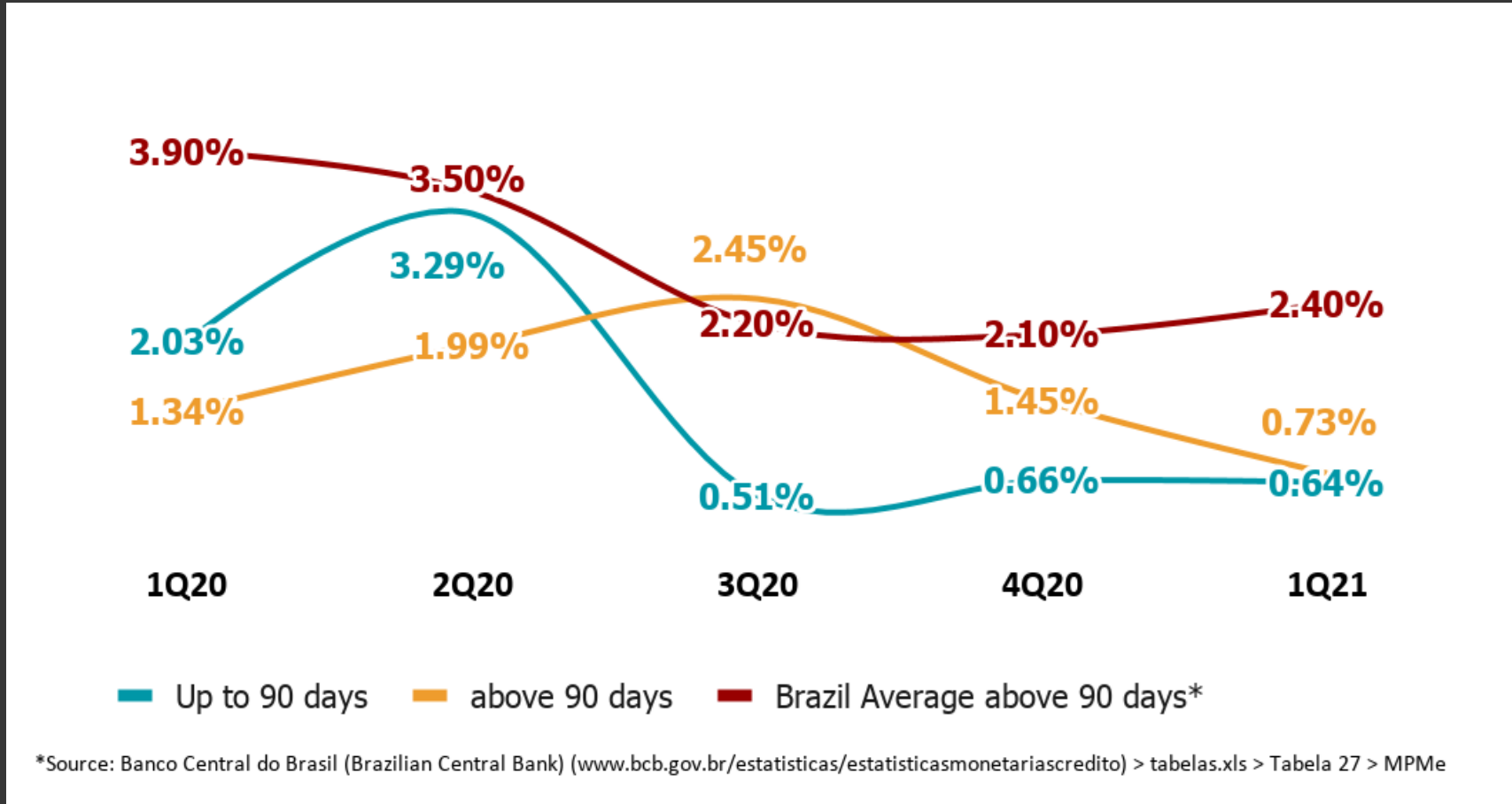
Business integration
+6 affiliates
signed, of which
3 already in production

Highlights - Quarter

CREDIT PORTFOLIO

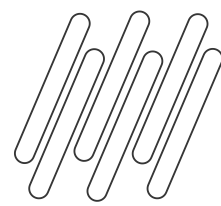


DEFAULT



*Data presented for comparison purposes only, not consolidated in the 2020 Company results.

*Source: Banco Central do Brasil (Brazilian Central Bank) (www.bcb.gov.br/estatisticas/estatisticasmonetariascredito) > tabelas.xls > Tabela 27 > MPMe



ADJUSTED EBITDA

380bp reduction in the EBITDA Margin vs. 4Q20 due to the provision for credit losses and Average FIDC Cash Position (+45% vs. 4Q20)



ROE LTM
43%
24.6pp YoY

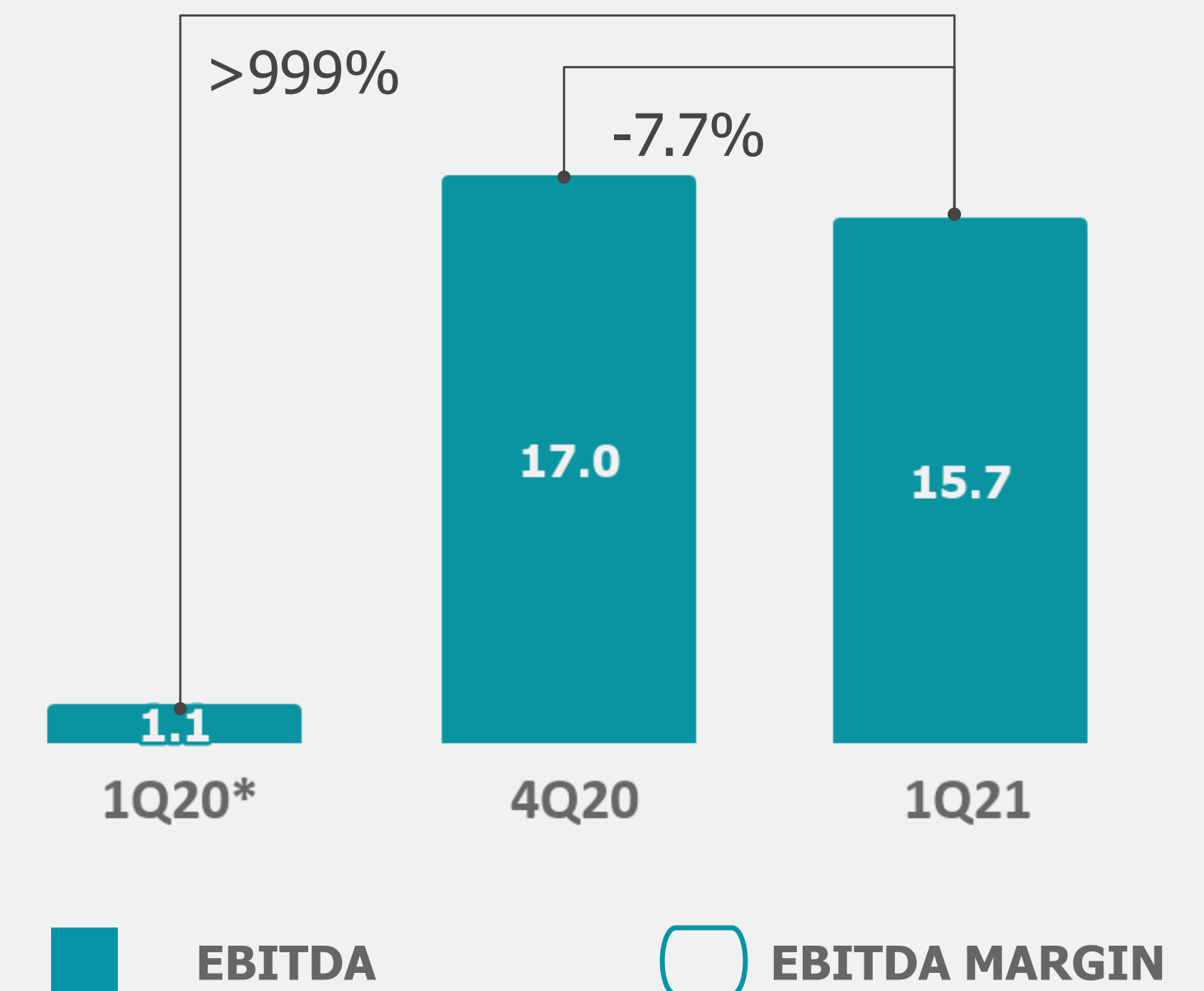
Provision for Expected
Credit Losses / Revenue
3.3%
340bp below 2019
R\$1.4 million >4Q20
(effect of provision reversal in 4Q20)

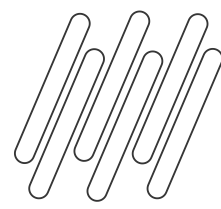
EBITDA

2.4%

32.1%

28.5%





ACQUISITION OF RD STATION APPROVED BY CADE*

The largest M&A transaction for SaaS in Latin America



* Brazilian antitrust agency



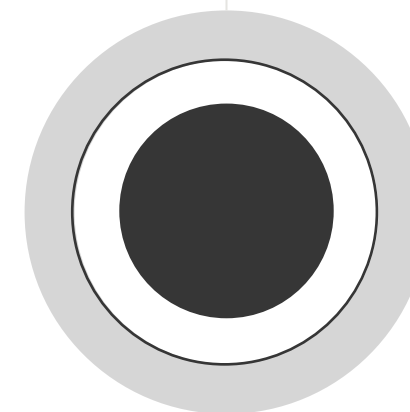
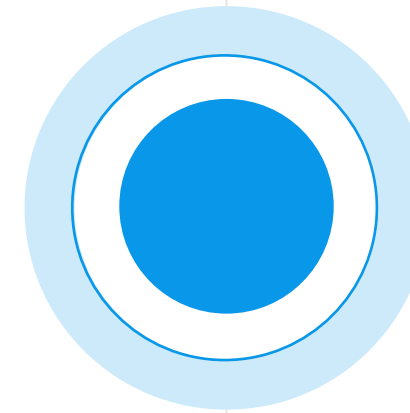
03

ESG



TOTVS Investors Day 2021

This 100% digital event put the entire Senior Executive Team in directed contact with the market



2021 Annual Meeting

Held on April 20, this event was attended by more than 72% of the Company's capital stock





FINAL REMARKS

MANAGEMENT

- *Focus on SaaS, continuous evolvement product quality, and cloudification enabled us to accelerate the Recurring Revenue growth*
- *Brazilian market of management software is far from mature and still has a lot of room for growth*
- *Innovation in our portfolio, such as HR, electronic signature, and the new T-Cloud platform work to strengthen even more our solid market position*

TECHFIN

- *We reached a new record-breaking production level of +R\$2 billion, of which R\$800 million in March*
- *We made progress in business integration, with 6 affiliates with signed contracts, 3 of which already in production*
- *We keep launching new products: "TOTVS Pagamento Instantâneo", which offers customers instant payment via PIX integrated with TOTVS management solutions*

BIZ PERFORMANCE

- *With RD Station, which is seen in the Brazilian market as a synonym for digital marketing, we took a fundamental step to establish the dimension of Biz Performance*

THANK YOU



INVESTOR RELATIONS

ri.totvs.com/en

011 2099 7773 / 7089 / 7105

ri@totvs.com.br

- Technology + Knowledge are our DNA
- The success of our client is our success
- We value competent people who are nice people



totvs.com



totvs.store



[@totvs](https://twitter.com/totvs)



[@totvs](https://www.instagram.com/totvs)



[/totvs](https://www.youtube.com/totvs)



[company/totvs](https://www.linkedin.com/company/totvs)

#WEARETOTVERS



TOTVS