



*São Paulo, November 5th, 2025 – **TOTVS S.A.** (B3: TOTS3) announces its results for the Third Quarter of 2025 (3Q25).*

EARNINGS RELEASE 3Q25

VIDEO CONFERENCE - November 6th, 2025 at 11:00 AM (BRT)

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3Q25 EARNINGS

Consolidated Financial and Operational Highlights

R\$1.6 billion +18% y/y
Net Revenue ⁽¹⁾

R\$6.3 billion +18% y/y
ARR

R\$405 million +23% y/y
Adjusted EBITDA ⁽¹⁾

R\$220 million +27% y/y
Net Addition of ARR

26.0% +100bp y/y
EBITDA Margin ⁽¹⁾

R\$1.58 +35% y/y
EPS LTM

R\$249 million +10% y/y
Adjusted Net Income

20% +250 bp y/y
ROIC LTM

R\$280 million +54% y/y
Free Cash Flow

Consolidated: +20% y/y in Recurring Revenue and +23% y/y in Adjusted EBITDA, with a 100bp y/y expansion in the EBITDA Margin, which reached 26.0%.

Management: +21% y/y in Recurring Revenue and 23% Adjusted EBITDA, resulting in +110 basis points Adjusted in EBITDA Margin

RD Station: +16% y/y in Recurring Revenue, with a **strong** recovery in Net ARR Addition, up +47% y/y

Techfin: +30% y/y in Revenue Net of Funding and +72% y/y growth in Adjusted Net Income

¹Net Revenue and Adjusted EBITDA do not incorporate the results of Techfin.



Message from the CEO

We ended another quarter with very positive outcomes across all our operations. This release will detail these numbers, their trends, and the rationale behind them. This message, mirroring our recent approach, will address strategic topics.

Literature abounds with classical works that exalt the virtue of pioneering while unflinchingly exposing the perils of pursuing a goal along an unmapped path. In Dante Alighieri's *Divine Comedy*, the protagonist undertakes a personal and transformative odyssey. He descends into the abyss of Hell, traverses the arduous slopes of Purgatory, and only then ascends to the luminous heights of Paradise, a passage forged upon a trail never before trodden.

Techfin is a pioneering and innovative journey with lofty goals. But, despite the unmapped path and some challenges, our current struggles pale compared to the ordeals depicted in the *Divine Comedy*. It operates on a straightforward concept: that creating an ERP Banking system revolutionizes banking services for the SMB segment. Techfin's thesis is anchored on two unassailable pillars: 1) a contextualized journey embedded within the ERP guarantees the privilege of the first-mover primacy, with much more assertiveness and, consequently, conversion rates that far surpass traditional benchmarks; and 2) the strategic harnessing of ERP data enables the construction of superior credit-scoring models, yielding higher approval ratios, more generous credit limits, and markedly lower default and loss rates, to the extent that real collateral, with its attendant costs and administrative burdens, becomes largely unnecessary. Thus, Techfin is uniquely positioned to capture a relevant market share in a colossal arena, while operating with a leaner and markedly more profitable model than traditional frameworks.

Two years after the creation of our joint venture with Itaú, the thesis and its twin pillars stand fully validated. To date, ERP data has enabled us to elevate approved credit limits by 3.3x. It has also delivered a 24% improvement in the separation between reliable and those with more risk, outperforming the industry's leading benchmark. Default rates are 67% below market average. Meanwhile, the contextualized, ERP-embedded journey has driven an average ticket size three times higher, even in a relatively commoditized service such as PIX (Brazilian instant payment system). For credit products like Mais Negócios, we achieved a spread premium 52% higher than the market average. These are concrete outcomes that instill in us absolute confidence that we have forged a singular operation, fortified by deep competitive moats that are extraordinarily difficult to replicate. In short: a transformative, innovation-driven business.

Q4 is now underway, and we are approaching the close of yet another year. As we have long maintained, in a business characterized by such high recurrence and client retention, the next year is built on the current one. In this instance, 2026 is being meticulously architected upon the outstanding foundation of 2025.

Dennis Herszkowicz - CEO

CONSOLIDATED RESULTS

Financial and Operating Highlights

The tables below show values already adjusted for extraordinary items, which will help in analyzing the behavior of Cost and Expense lines. A reconciliation of adjusted and GAAP results can be found in **APPENDIX II and III**.

In July 2025, Meta implemented a new billing model for the WhatsApp Business API. As a result, we decided to adjust the billing model for the RD Station Conversas product, segregating Recurring Revenue between a software solution component and the platform's transactional messaging service. Therefore, as of this quarter, the Recurring Revenue from the RD Station business unit is now presented broken down into SaaS Revenue and Transactional Revenue. Additionally, as TOTVS now acts as a "commercial agent" for the transactional component, this revenue is deducted from the respective costs with the sharing of revenue passed on to such partners (in compliance with IFRS 15). In the Management business unit there is also a small portion of Recurring Revenue with transactional characteristics, but it is immaterial for breakout purposes. For comparability purposes of the RD Station BU results, revenues from the previous model were also broken down into SaaS and Transactional in prior periods. The reconciliation between the previous and current formats is available in **APPENDIX IX**.

Additionally, to preserve the analysis of the 3 business units, the Techfin Income Statement continues to be presented in the "**Techfin business unit**" section, and its financial statements (Balance Sheet and Cash Flow Statement) are available in **APPENDIX VII**.

	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Result (in R\$ million, except %)								
Net Revenue	1,555.3	1,319.8	17.8%	1,482.5	4.9%	4,494.8	3,813.7	17.9%
Recurring Revenue	1,422.5	1,180.1	20.5%	1,349.3	5.4%	4,074.8	3,371.1	20.9%
Non-Recurring Revenue	132.7	139.8	(5.1%)	133.2	(0.3%)	420.0	442.7	(5.1%)
Adjusted Gross Profit	1,135.8	949.7	19.6%	1,067.4	6.4%	3,264.6	2,757.2	18.4%
Adjusted Gross Margin	73.0%	72.0%	100 bp	72.0%	100 bp	72.6%	72.3%	30 bp
Adjusted EBITDA	404.8	329.9	22.7%	362.8	11.6%	1,146.3	930.7	23.2%
Adjusted EBITDA Margin	26.0%	25.0%	100 bp	24.5%	150 bp	25.5%	24.4%	110 bp
Adjusted Net Income	248.7	225.5	10.2%	218.3	13.9%	694.6	528.6	31.4%
Adjusted Net Margin	16.0%	17.1%	-110 bp	14.7%	130 bp	15.5%	13.9%	160 bp
Financial and Operational Indicators (in R\$ million, except %)								
% Recurring Revenue	91.5%	89.4%	210 bp	91.0%	50 bp	90.7%	88.4%	230 bp
SaaS Revenue from Management + RD Station	805.8	641.5	25.6%	751.7	7.2%	2,275.6	1,804.0	26.1%
ARR ⁽¹⁾	6,270.6	5,291.7	18.5%	5,985.1	4.8%	n/a	n/a	n/a
ARR ⁽¹⁾ Net Addition	220.2	173.4	27.0%	213.3	3.2%	712.0	524.7	35.7%
Recurring Revenue vs. ARR ⁽²⁾	92.0%	89.9%	210 bp	90.7%	130 bp	n/a	n/a	n/a

⁽¹⁾ ARR Management + SaaS ARR RD Station

⁽²⁾ Ratio Calculation Rationale = Recurring Revenue / [(Current Quarter ARR + Previous Quarter ARR) / 8]

Net Revenue

Consolidated Net Revenue grew 18% y/y in 3Q25, driven by the 21% y/y growth in Recurring Revenue, which reached over 91% of Consolidated Revenue. In the year-to-date (9M25), this strong performance resulted in Net Revenue of R\$4.5 billion (+18% y/y).

Recurring Revenue performance was driven by the continued expansion of Management SaaS Revenue, which grew +28% y/y. This outcome reflects particularly the strong sales volume that delivered R\$220 million in Net ARR Additions for the quarter (+27% y/y).

The reduction in Non-Recurring Revenue (-5.1% y/y) directly mirrors our strategic prioritization of Recurring Revenue, as reported in previous quarters.

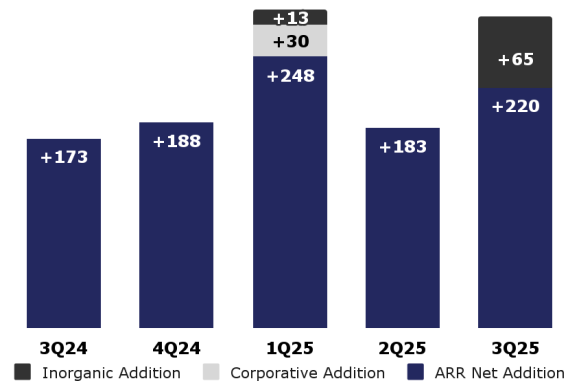
EBITDA

In 3Q25, Adjusted Consolidated EBITDA reached a new milestone, surpassing R\$400 million (+23% y/y) in a quarter for the first time, and the year-to-date figure (9M25) exceeded R\$1.1 billion (+23% y/y).

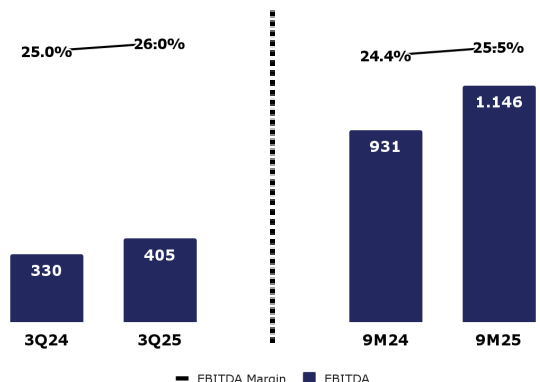
The primary driver of these results was the accelerated Recurring Revenue growth of Management business unit, which yielded operational leverage, as evidenced by a 100 basis point increase in the Adjusted Consolidated EBITDA Margin, reaching 26.0% for the quarter.

The same trend has been observed year to date (9M25), a period in which Adjusted Consolidated EBITDA increased by 23% y/y, with a margin expansion of 110 basis points. This reinforces the Company's commitment to increasing relevance with its customers, while improving its performance in a sustainable way.

ARR Net Addition (R\$ million)



Consolidated EBITDA (R\$ million)



Net Income

Adjusted Net Income	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Result (in R\$ million, except %)								
Adjusted EBITDA	404.8	329.9	22.7%	362.8	11.6%	1,146.3	930.7	23.2%
Depreciation and Amortization	(72.9)	(62.6)	16.5%	(68.0)	7.3%	(204.5)	(176.3)	16.0%
Financial Result	(11.4)	(3.4)	240.8%	(7.8)	45.6%	(29.4)	(8.2)	256.8%
Income Tax and Social Contribution	(71.6)	(38.2)	87.4%	(63.1)	13.4%	(209.7)	(207.1)	1.3%
Non-Controlling Net Income - Dimensa	(8.2)	(4.8)	69.8%	(6.4)	29.3%	(20.6)	(13.4)	53.3%
Adjusted Equity Pick-up - Techfin 50%	8.0	4.7	71.8%	0.8	932.6%	12.4	2.9	320.3%
Adjusted Net Income	248.7	225.5	10.2%	218.3	13.9%	694.6	528.6	31.4%
<i>Adjusted Net Margin</i>	<i>16.0%</i>	<i>17.1%</i>	<i>-110 bp</i>	<i>14.7%</i>	<i>130 bp</i>	<i>15.5%</i>	<i>13.9%</i>	<i>160 bp</i>
Financial and Operational Indicators (in R\$ million, except %)								
NOPLAT ⁽¹⁾	244.5	228.3	7.1%	223.5	9.4%	702.3	534.6	31.4%
ROIC (LTM) ⁽²⁾	19.9%	17.4%	250 bp	20.1%	-20 bp	n/a	n/a	n/a
EPS (LTM)	1.58	1.17	34.9%	1.54	2.5%	n/a	n/a	n/a

⁽¹⁾ NOPLAT = Adjusted Net Income - (Adjusted Financial Result) x 66 %

⁽²⁾ ROIC = (NOPLAT LTM) / [(Shareholders' Equity) - (Net Debt or Cash) at the beginning of the period]

Adjusted Net Income reached R\$249 million in 3Q25 (+10% y/y and +14% q/q), reflecting the strong growth in Adjusted EBITDA (+23% y/y and +12% q/q) in the period. Year-to-date (9M25), the performance is even more striking, with Adjusted Net Income reaching R\$695 million (+31% y/y).

It is worth noting that the growth of the Income Tax and Social Contribution line in 3Q25 (+88% y/y) stems directly from the declaration of Interest on Equity (IoE) on a quarterly basis throughout 2025, compared to a semi-annual statement basis in 2024, a shift clearly reflected in the year-to-date (9M25) trend.

From a capital efficiency standpoint, Last-Twelve-Month ROIC held steady at 20% (250bp expansion y/y), underscoring increasingly disciplined and effective capital allocation.

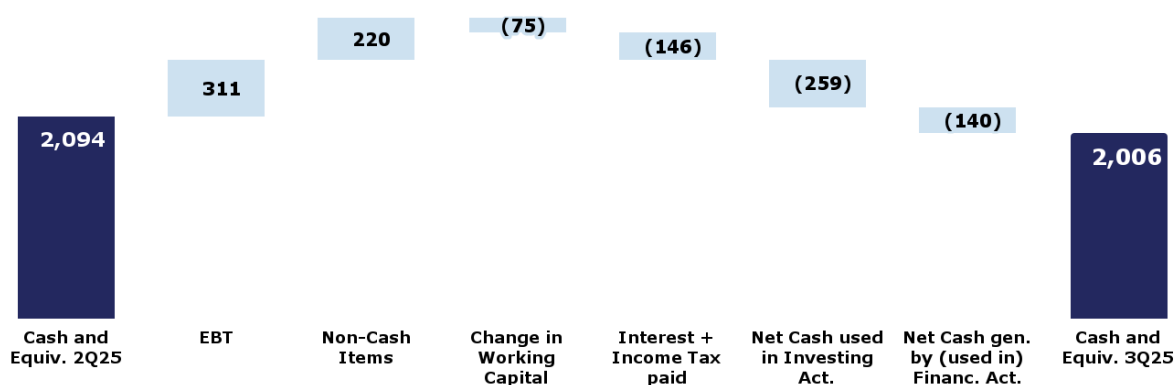
Free Cash Flow

Free Cash Flow	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Result (in R\$ million, except %)								
EBT	310.7	230.5	34.8%	242.9	27.9%	812.1	620.4	30.9%
Non-Cash Items	220.4	164.8	33.7%	197.4	11.6%	623.5	512.9	21.6%
Change in Working Capital	(74.6)	(65.4)	14.0%	(59.1)	26.1%	(247.4)	(118.9)	108.1%
Operating Cash Generation	456.5	329.9	38.4%	381.1	19.8%	1,188.2	1,014.5	17.1%
(-) Income Tax and Social Contribution paid	(33.6)	(33.4)	0.4%	(27.2)	23.4%	(134.6)	(129.2)	4.2%
(-) Invest. in Fixed and Intang. Assets	(52.0)	(38.4)	35.5%	(70.5)	(26.2%)	(195.2)	(168.9)	15.5%
(-) Payment of Principal of Lease Liabilities	(17.2)	(16.7)	2.5%	(22.2)	(22.6%)	(54.7)	(46.8)	16.9%
(-) Rev. from financial invest., net of Taxes	(73.3)	(59.7)	22.8%	(65.4)	12.0%	(198.0)	(196.7)	0.6%
Free Cash Flow to Firm	280.5	181.7	54.3%	195.9	43.2%	605.8	472.9	28.1%
Financial and Operational Indicators								
Op. Cash Generation / Adjusted EBITDA	112.8%	100.0%	1280 bp	105.0%	780 bp	103.7%	109.0%	-530 bp
Free Cash Flow / Adjusted Net Income	112.8%	80.6%	3220 bp	89.7%	2310 bp	87.2%	89.5%	-230 bp

Free Cash Flow ended 3Q25 at R\$280 million (+54% y/y and +43% q/q). The main drivers behind this improvement were: (i) the growth of the EBT (+35% y/y); (ii) maintaining the level of IR and CSLL (Income Tax and Social Contribution) paid; and (iii) Working Capital variation, which increased at a slower pace than EBT. The improvement in the working capital variation is mainly related to Accounts Receivable inflows concentrated on the last business day of 2Q25, with the bank credit posted in 3Q25, as reported in the previous quarter.

In the year-to-date (9M25), Free Cash Flow grew by +28%, mainly reflecting the 31% increase in EBITDA. The change in working capital (+108% y/y) reflects, in addition to the remaining effect of Accounts Receivable mentioned above, advance payments of approximately R\$75 million to suppliers of cloud-related solutions and services, as part of advantageous commercial conditions negotiated in multi-year contracts.

Cash Flow 3Q25 (R\$ million)



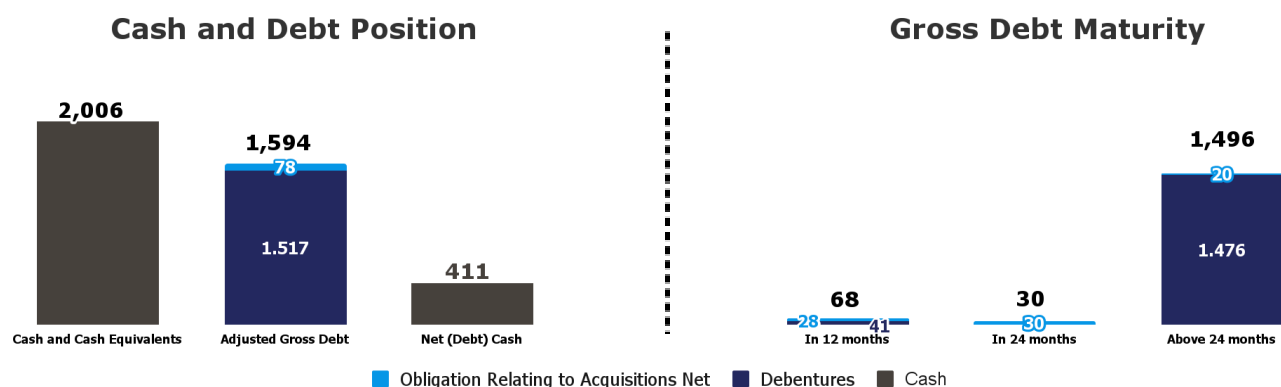
The detailed view of the Cash Flow is presented in the **APPENDIX IV** of this document.

Gross and Net Debt

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q
Debentures	(1,516.7)	(1,489.5)	1.8%	(1,562.9)	(3.0%)
Obligations Related to Acquisitions, Net	(77.8)	(304.7)	(74.5%)	(59.0)	31.8%
Total Gross Debt	(1,594.5)	(1,794.1)	(11.1%)	(1,621.9)	(1.7%)
(+) Cash and Cash Equivalents	2,005.7	2,154.8	(6.9%)	2,094.2	(4.2%)
Net (Debt) Cash	411.2	360.7	14.0%	472.3	(12.9%)
Cash and Equivalent from Dimensa	411.2	559.1	(26.5%)	612.7	(32.9%)
Gross Debt from Dimensa	(59.8)	(38.9)	53.7%	(36.7)	62.6%
Net (Debt) Cash - excl. Dimensa	59.8	(159.5)	(137.5%)	(103.6)	(157.7%)
Cash and Equiv. excl. Dimensa	1,594.6	1,595.7	(0.1%)	1,481.5	7.6%
Gross Debt excl. Dimensa	(1,534.7)	(1,755.3)	(12.6%)	(1,585.1)	(3.2%)

The Company's Gross Debt remained at R\$1.6 billion in the quarter, supporting the solid and extended debt profile, with 94% of maturities concentrated in the long term (over 24 months).

The strong and consistent operational cash generation in the quarter reversed the 2Q25 Net Debt position into a R\$60 million Net Cash position in 3Q25 (excluding Dimensa). This consistent ability to generate cash gives the Company a comfortable and resilient balance sheet position, providing the required financial firepower to drive organic growth (as the above mentioned negotiations of cloud-related solutions and services) and capitalize on strategic opportunities (such as the acquisition of Linx, which was approved by 99.999% of the valid votes at the Extraordinary General Meeting (EGM) held on October 30th, with a quorum of 78.08%), even in a high-interest-rate scenario.



RESULTS BY BUSINESS UNIT

Management business unit

Our Management BU offers business management solutions to clients across 12 industry sectors. The portfolio includes ERP systems, productivity tools, analytics and platforms that support everything from financial to tax, people management and specialized vertical solutions.

In order to facilitate the analysis of Cost and Expense behavior, the data presented in the table below is already adjusted for extraordinary items, as stated in **APPENDIX III**.

	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Result (in R\$ million, except %)								
Net Revenue	1,393.4	1,179.6	18.1%	1,326.6	5.0%	4,028.2	3,412.2	18.1%
Recurring Revenue	1,266.8	1,045.6	21.1%	1,198.1	5.7%	3,625.2	2,983.8	21.5%
Non-Recurring Revenue	126.7	133.9	(5.4%)	128.4	(1.4%)	402.9	428.4	(6.0%)
Licenses	40.6	48.9	(16.9%)	42.4	(4.2%)	150.7	172.6	(12.7%)
Services	86.0	85.0	1.2%	86.0	(0.0%)	252.2	255.9	(1.4%)
Costs	(379.2)	(337.3)	12.4%	(375.9)	0.9%	(1,113.2)	(962.2)	15.7%
Adjusted Gross Profit	1,014.3	842.3	20.4%	950.6	6.7%	2,915.0	2,450.1	19.0%
<i>Adjusted Gross Margin</i>	<i>72.8%</i>	<i>71.4%</i>	<i>140 bp</i>	<i>71.7%</i>	<i>110 bp</i>	<i>72.4%</i>	<i>71.8%</i>	<i>60 bp</i>
Adjusted Operating Expenses	(629.8)	(529.9)	18.9%	(606.0)	3.9%	(1,825.0)	(1,554.0)	17.4%
<i>% Net Revenue</i>	<i>45.2%</i>	<i>44.9%</i>	<i>30 bp</i>	<i>45.7%</i>	<i>-50 bp</i>	<i>45.3%</i>	<i>45.5%</i>	<i>-20 bp</i>
Research and Development	(234.7)	(195.1)	20.3%	(222.3)	5.6%	(664.4)	(566.6)	17.3%
<i>% Recurring Revenue</i>	<i>18.5%</i>	<i>18.7%</i>	<i>-20 bp</i>	<i>18.6%</i>	<i>-10 bp</i>	<i>18.3%</i>	<i>19.0%</i>	<i>-70 bp</i>
Provision for Expected Credit Losses	(11.8)	(9.1)	29.7%	(11.3)	4.7%	(36.8)	(31.5)	16.9%
<i>% Net Revenue</i>	<i>0.8%</i>	<i>0.8%</i>	<i>0 bp</i>	<i>0.9%</i>	<i>-10 bp</i>	<i>0.9%</i>	<i>0.9%</i>	<i>0 bp</i>
Sales and Marketing Expenses	(267.6)	(230.5)	16.1%	(273.6)	(2.2%)	(799.8)	(677.3)	18.1%
<i>% Net Revenue</i>	<i>19.2%</i>	<i>19.5%</i>	<i>-30 bp</i>	<i>20.6%</i>	<i>-140 bp</i>	<i>19.9%</i>	<i>19.8%</i>	<i>10 bp</i>
G&A Expenses and Others	(115.7)	(95.1)	21.6%	(98.8)	17.1%	(324.0)	(278.6)	16.3%
<i>% Net Revenue</i>	<i>8.3%</i>	<i>8.1%</i>	<i>20 bp</i>	<i>7.4%</i>	<i>90 bp</i>	<i>8.0%</i>	<i>8.2%</i>	<i>-20 bp</i>
Adjusted EBITDA	384.5	312.4	23.1%	344.6	11.6%	1,090.0	896.1	21.6%
<i>% Adjusted EBITDA</i>	<i>27.6%</i>	<i>26.5%</i>	<i>110 bp</i>	<i>26.0%</i>	<i>160 bp</i>	<i>27.1%</i>	<i>26.3%</i>	<i>80 bp</i>
Financial and Operational Indicators (in R\$ million, except %)								
% Recurring Revenue	90.9%	88.6%	230 bp	90.3%	60 bp	90.0%	87.4%	260 bp
SaaS Revenue	654.9	510.3	28.3%	606.9	7.9%	1,842.1	1,424.2	29.3%
ARR	5,660.2	4,764.6	18.8%	5,397.8	4.9%	n/a	n/a	n/a
Retention Rate	98.6%	98.6%	0 bp	98.3%	30 bp	n/a	n/a	n/a
Recurring Revenue vs. ARR	91.0%	88.7%	230 bp	89.6%	140 bp	n/a	n/a	n/a

⁽¹⁾ Ratio Calculation Rationale = Recurring Revenue / [(Current Quarter ARR + Previous Quarter ARR) / 8]

Net Revenue

Recurring Revenue reached 21% y/y growth in the quarter, accelerating from the 20% growth achieved in Q2. This is the 26th consecutive quarter of double-digit growth, most of it at around the 20% level.

The Recurring Revenue performance reflects the maintenance of the strong pace of sales volume of SaaS and Cloud solutions, with emphasis on the performance of franchises in the period (+28% y/y). In addition to volume, the inflation adjustments applied during automatic contract renewals and the 30bp improvement in the Retention Rate also contributed to an ARR net addition of R\$197 million in 3Q25, which was 25% higher

than the 3Q24 addition, what is a good indicator of Net Revenue behavior for the ending of this year. In this quarter, the TOTVS Inteligência Tributária (TIT) solution contributed approximately R\$16 million to the ARR Net Addition. This additional contribution is added to the impact of approximately R\$20 million registered in 2Q25, the solution's launch quarter. Thus, now that the initial adoption process of TIT by clients has passed, no further impacts of this magnitude on the ARR Net Addition are expected in the coming quarters.

Non-Recurring Revenue declined 5.4% y/y, consistent with the ongoing strategy to reduce client TCO through implementation project optimization, focus on Recurring Revenues, and, in this quarter specifically, seasonal concentration of service team vacation.

These dynamics also underpin Management Net Revenue growth year-to-date (9M25), which exceeded R\$4 billion (+18% y/y), with Recurring Revenue surging +21% y/y and crossing the R\$3.6 billion.

Gross Margin

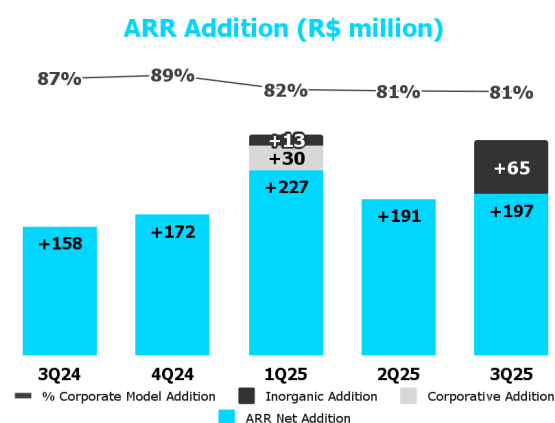
Management's Adjusted Gross Margin reached 72.8% in the quarter (+140bp y/y), which pushed Adjusted Gross Profit to a historic milestone, surpassing R\$1 billion in the quarter. This expansion reflects the scalability of the business and cost dilution, driven by the strong performance of Recurring Revenue.

Operating Expenses

The growth of Adjusted Operating Expenses (+19% y/y) at a slightly higher pace than Net Revenue (+18% y/y) resulted in a 30bp reduction in operating leverage in the year over year comparison. This effect is mainly due to the higher provision for short-term incentives, associated with the business unit's operational performance, as well as the provision for long-term incentives, impacted by the positive performance of the Company's share price during the period.

In the quarterly comparison, the decrease of 50bp in relation to Net Revenue is mainly associated with seasonal expenses related to the 2025 Universo TOTVS event (approximate cost of R\$14 million) and to marketing plan initiatives.

Year-to-date, the operating leverage gained 20bp (y/y), a particularly meaningful outcome in light of the impact of the payroll reinstatement, which affected all OPEX lines, as already flagged in prior quarters.

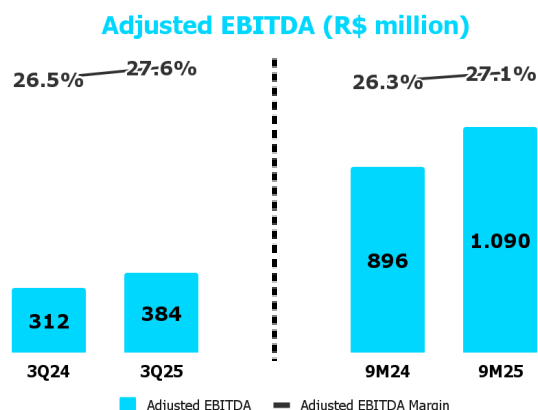


EBITDA

Adjusted EBITDA reached R\$384 million in 3Q25 (+23% y/y), resulting in the expansion of the Adjusted EBITDA Margin, which reached 27.6% (+110bp y/y and +160bp q/q).

In the year-to-date, Adjusted EBITDA surpassed the R\$1 billion mark (+22% y/y). This result reinforces the growth trajectory of the business unit throughout the year.

A few quarters ago, the EBITDA Margin of the more mature operations of the RD Station business unit was presented. This provided visibility into a very positive dynamic, signaling the margin expansion potential for that business unit. In this quarter, we are presenting the EBITDA Margin of the more mature operations in terms of integration of the Management business unit (excluding Dimensa and acquisitions made as of 2023). In this breakout, the margin has already reached 29%, 140bp higher than the 27.6% of this quarter



RD Station business unit

The RD Station business unit is focused on business performance solutions, that is, Digital Marketing, Sales, Digital Commerce, and Customer Experience (CX) solutions, with the aim of supporting companies in acquiring and converting customers.

In order to facilitate the analysis of Cost and Expense behavior, the data presented in the table below is already adjusted for extraordinary items, as stated in **APPENDIX III**.

	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Result (in R\$ million, except %)								
Net Revenue	161.9	140.3	15.4%	155.9	3.8%	466.6	401.5	16.2%
Recurring Revenue	155.8	134.5	15.9%	151.2	3.1%	449.6	387.3	16.1%
SaaS Revenue	150.9	131.2	15.0%	144.8	4.2%	433.5	379.7	14.1%
Transactional Revenue	4.9	3.2	52.5%	6.4	(23.3%)	16.1	7.5	114.0%
Non-Recurring Revenue	6.1	5.8	3.7%	4.7	27.9%	17.1	14.2	19.9%
Costs	(40.3)	(32.9)	22.5%	(39.1)	2.9%	(117.0)	(94.4)	24.0%
Adjusted Gross Profit	121.6	107.4	13.2%	116.8	4.1%	349.6	307.1	13.8%
<i>Adjusted Gross Margin</i>	<i>75.1%</i>	<i>76.6%</i>	<i>-150 bp</i>	<i>74.9%</i>	<i>20 bp</i>	<i>74.9%</i>	<i>76.5%</i>	<i>-160 bp</i>
Adjusted Operating Expenses	(101.3)	(90.0)	12.5%	(98.6)	2.8%	(293.3)	(272.5)	7.6%
% Net Revenue	62.6%	64.2%	-160 bp	63.2%	-60 bp	62.8%	67.9%	-510 bp
Research and Development	(31.9)	(27.9)	14.6%	(30.5)	4.7%	(92.0)	(85.4)	7.7%
% Recurring Revenue	20.5%	20.7%	-20 bp	20.2%	30 bp	20.5%	22.1%	-160 bp
Provision for Expected Credit Losses	(2.5)	(3.8)	(33.3%)	(2.7)	(8.5%)	(6.2)	(10.9)	(43.5%)
% Net Revenue	1.5%	2.7%	-120 bp	1.8%	-30 bp	1.3%	2.7%	-140 bp
Sales and Marketing Expenses	(51.8)	(43.3)	19.7%	(49.5)	4.6%	(149.1)	(129.2)	15.5%
% Net Revenue	32.0%	30.9%	110 bp	31.8%	20 bp	32.0%	32.2%	-20 bp
G&A Expenses and Others	(15.0)	(15.1)	(0.4%)	(15.8)	(4.8%)	(45.9)	(47.0)	(2.3%)
% Net Revenue	9.3%	10.8%	-150 bp	10.1%	-80 bp	9.8%	11.7%	-190 bp
Adjusted EBITDA	20.3	17.4	16.5%	18.2	11.5%	56.3	34.6	62.8%
% Adjusted EBITDA	12.6%	12.4%	20 bp	11.7%	90 bp	12.1%	8.6%	350 bp
Financial and Operational Indicators (in R\$ million, except %)								
SaaS ARR	610.4	527.0	15.8%	587.3	3.9%	n/a	n/a	n/a
SaaS ARR Net Addition	23.2	15.7	47.5%	21.9	5.6%	66.9	60.3	11.0%
SaaS Retention Rate	94.8%	94.4%	40 bp	94.7%	10 bp	n/a	n/a	n/a

Transactional Revenue Breakdown

With the change in Meta's WhatsApp Business model (as detailed in "Financial and Operational Highlights"), the RD Station Conversas product now includes a billing component based on usage volume of messaging service. Given the volatility of this Transactional Revenue, we opted to segregate it from SaaS Revenue and disclose it separately. ARR tracking will also be measured separately, neutralizing the effect of this volatility and enhancing the visibility of the more predictable revenue stream.

This new model began to be applied to new sales starting in September, and the migration of the existing customer base will occur throughout 4Q25. So far, this change has been very successful, exceeding our high expectations.

Net Revenue

SaaS Revenue accelerated to 15% y/y, versus 14% y/y in 9M25. There was also a quarter over quarter acceleration with a growth of 4.2%. As signaled in the previous quarter, the results of the adjustments made in recent months were positive, improving new Sales Volume and the Retention Rate. With this, we achieved the highest quarterly SaaS ARR net addition since 2023, 47% higher than 3Q24. SaaS ARR surpassed R\$600 million, a 16% y/y growth.

Taking advantage of the change in the WhatsApp Business billing model, the Company prioritized the SaaS Revenue from the RD Station Conversas product, which is much more profitable and predictable. This strategic move, combined with the more volatile nature of Transactional Revenue, resulted in a 23% q/q drop in this revenue. The proper reconciliation and monitoring of this indicator can be found in **APPENDIX IX**.

We believe the structural changes implemented over recent quarters have elevated RD Station to a superior strategic position, making it significantly more competitive, diversified, and resilient. Results to date have outperformed those planned and validate this improvement.

Gross Margin

The payroll tax reinstatement was the primary driver behind the 150 basis points y/y reduction in the unit's gross margin this quarter. A portion of this cost is being passed through to clients via annual auto-renewal contracts adjustments.

Operating Expenses

The integration of acquired companies under RD Station BU, combined with the synergistic alignment of the RD Station BU with the Management BU, is yielding clear operational efficiencies. This is most visible in back-office areas, resulting in a reduction of General & Administrative and Other Expenses as a percentage of Net Revenue (-160bp y/y and -60bp q/q).

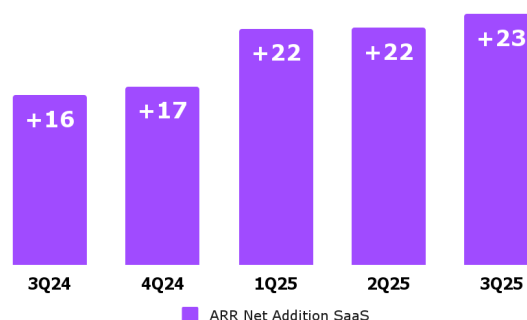
EBITDA

Adjusted EBITDA reached R\$20 million in 3Q25 (+17% y/y), with an EBITDA Margin of 12.6% (+20bp y/y), demonstrating the improvement in operational efficiency.

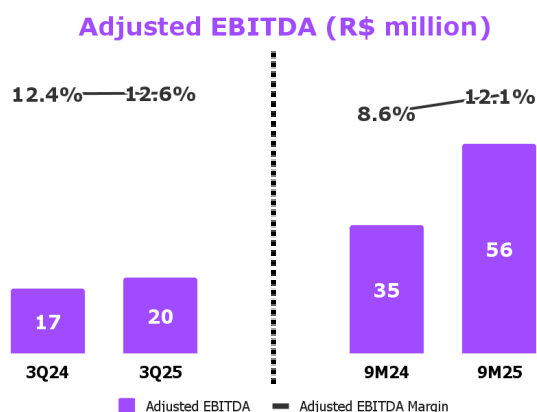
The already mentioned progress in the integration, which began at the end of 2Q24, boosted the unit's EBITDA margin to double digits. In turn, the maturing of RD Station's products and the scaling of Recurring Revenue will promote a more gradual structural evolution of this margin.

Additionally, it is worth noting that the RD Summit – to be held between November 5 and 7 – generates a negative seasonal impact on the RD Station unit's margin in 4Q. The total net cost of the event in 2024 was approximately R\$14 million.

ARR Net Addition - SaaS (R\$ million)



■ ARR Net Addition SaaS



■ Adjusted EBITDA ■ Adjusted EBITDA Margin

Techfin business unit

Techfin business unit is building the market's first ERP Banking solution, focusing on small and medium-sized businesses. The offering is delivered through digital financial solutions, utilizing data intelligence and automation integrated with management systems to mitigate risks, enhance decision-making, and generate convenience for customers.

This business unit is a joint venture (TOTVS Techfin), in which TOTVS and Itaú BBA hold a shared control with a 50% interest each in the capital stock of TOTVS Techfin. Thus, the results of this operation are not consolidated in the Company's Cash Flow and Balance Sheet, and just 50% of the result of TOTVS Techfin operation is recognized in the Equity Pickup line.

The results below represent 100% of Techfin business unit performance reconciliation of Adjusted Net Income, Balance Sheet, Cash Flow, and Credit Rights by maturity can be found in **APPENDIX VII**.

	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Result (in R\$ million, except %)								
Revenue - Net of funding	101.8	78.4	29.8%	72.5	40.5%	253.7	211.2	20.1%
Credit products	149.4	112.3	33.0%	116.3	28.4%	383.1	309.4	23.8%
Adjusted Funding Cost	(50.7)	(36.6)	38.5%	(46.7)	8.6%	(138.9)	(105.5)	31.7%
Fee Revenue ⁽¹⁾	3.1	2.7	15.1%	2.8	10.6%	9.6	7.3	31.8%
Provision for Expected Credit Losses	(9.9)	(7.6)	31.3%	(8.5)	16.7%	(25.5)	(23.3)	9.4%
OPEX	(66.4)	(62.3)	6.6%	(61.6)	7.8%	(187.7)	(179.5)	4.6%
Techfin Adjusted EBITDA	25.5	8.6	197.9%	2.4	974.8%	40.4	8.4	384.3%
% Techfin Adjusted EBITDA	25.1%	10.9%	1420 bp	3.3%	2180 bp	15.9%	4.0%	1190 bp
Below EBITDA	(9.5)	0.8	<(999%)	(0.8)	>999%	(15.6)	(2.5)	538.1%
Adjusted Net Income (Loss) from Techfin	16.1	9.3	71.8%	1.6	932.6%	24.8	5.9	320.3%
% Net Income (Loss) from Techfin	15.8%	11.9%	390 bp	2.1%	1370 bp	9.8%	2.8%	700 bp
Financial and Operational Indicators (in R\$ million, except%)								
Credit products								
Credit Production	3,393.9	3,047.2	11.4%	3,237.9	4.8%	9,840.7	8,456.8	16.4%
Average Term of Credit Production (days)	67.1	64.2	4.7%	60.3	11.3%	n/a	n/a	-
Credit Portfolio, Net	2,380.2	2,142.5	11.1%	2,472.7	(3.7%)	n/a	n/a	-
Average Term of On Due Portfolio (days)	61.9	62.8	(1.4%)	67.5	(8.3%)	n/a	n/a	-
Credit Operation Cash Position	336.5	386.3	(12.9%)	195.9	71.7%	n/a	n/a	n/a
Fee Products								
TPV - Techfin Pix	2,385.3	1,807.9	31.9%	2,165.5	10.2%	6,604.4	4,716.1	40.0%

⁽¹⁾ Revenue fee from payment products such as credit cards and PIX.

Revenue - Net of Funding

Revenue Net of Funding totaled R\$102 million in the quarter (+30% y/y and +40% q/q). This result is attributed to the growing relevance of other sectors in credit origination and the positive seasonality of agribusiness.

Additionally, the optimization of the funding structure contributed to this performance, mainly due to the higher volume of capital generated by floating (Transfer to Partners). This allowed for a 11% reduction in third-party capital in the funding structure, offsetting the temporary increase in funding cost resulting from the migration of the original FIDC from Supplier to the new closed-end FIDC, as mentioned in the previous quarter.

Operating Expenses (OPEX)

The growth in Adjusted Operating Expenses (OPEX) (+6.6% y/y), lower than the expansion of Revenue Net of Funding (+30% y/y), demonstrates the potential for operational leverage of the business unit. This effect is also observed in the year-to-date period (9M25), with OPEX of R\$188 million (+4.6% y/y).

Net Income

Techfin's Adjusted Net Income reached R\$16 million in 3Q25 (+72% y/y). The result reflects the growth in Revenue Net of Funding (+30% y/y) associated with the potential for operational leverage. The operation's profitability demonstrated considerable evolution, with the Adjusted Net Margin reaching 15.8% in the quarter (+390bp y/y and +1370bp q/q).

In the year-to-date period, Adjusted Net Income totaled R\$25 million, 4.2x higher than the same period of the previous year. This result reinforces Techfin's consistent trajectory of growth and profitability.

APPENDIX I

Consolidated Income Statement

Below, we are considering the result of Techfin at 50% in the "Equity Pickup". Additionally, with the announcement of the sale of TOTVS' entire stake in RJ PARTICIPAÇÕES S.A. on March 13th, 2025, the result of this operation began to be disclosed in the "Net Income/(Loss) of the discontinued operation" line.

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Net Revenue	1,555.3	1,319.8	17.8%	1,482.5	4.9%	4,494.8	3,813.7	17.9%
Management Revenue	1,393.4	1,179.6	18.1%	1,326.6	5.0%	4,028.2	3,412.2	18.1%
RD Station Revenue	161.9	140.3	15.4%	155.9	3.8%	466.6	401.5	16.2%
Operating Costs	(419.6)	(370.1)	13.4%	(417.3)	0.6%	(1,233.1)	(1,057.4)	16.6%
Management Operating Costs	(379.2)	(337.3)	12.4%	(377.6)	0.4%	(1,115.3)	(963.0)	15.8%
RD Station Operating Costs	(40.5)	(32.9)	23.2%	(39.6)	2.1%	(117.8)	(94.4)	24.8%
Gross Profit	1,135.6	949.7	19.6%	1,065.2	6.6%	3,261.7	2,756.4	18.3%
Operating Expenses	(831.3)	(701.4)	18.5%	(803.4)	3.5%	(2,420.6)	(2,096.0)	15.5%
Research and Development	(266.8)	(223.0)	19.6%	(254.0)	5.0%	(757.8)	(652.0)	16.2%
Sales and Marketing Expenses	(319.6)	(273.8)	16.7%	(324.0)	(1.4%)	(950.0)	(807.7)	17.6%
Provision for Expected Credit Losses	(14.3)	(12.9)	11.3%	(14.0)	2.1%	(42.9)	(42.4)	1.3%
General and Administrative Expenses	(131.9)	(111.2)	18.6%	(117.1)	12.7%	(363.9)	(336.1)	8.3%
Provision for Contingencies	(8.7)	(4.5)	92.2%	(2.1)	309.6%	(24.3)	(10.9)	122.8%
Depreciation and Amortization	(93.7)	(86.8)	8.0%	(89.0)	5.3%	(268.1)	(244.4)	9.7%
Other Net Revenues (Expenses)	3.7	10.7	(65.4%)	(3.2)	(214.8%)	(13.6)	(2.5)	441.0%
EBIT	304.3	248.3	22.6%	261.8	16.2%	841.1	660.4	27.4%
Financial Result	(1.0)	(19.8)	(94.9%)	(19.1)	(94.7%)	(39.5)	(34.2)	15.6%
Equity Pickup	7.4	2.1	259.6%	0.2	>999%	10.5	(5.8)	(282.7%)
Earnings Before Taxes (EBT)	310.7	230.5	34.8%	242.9	27.9%	812.1	620.5	30.9%
Income Tax and Social Contribution	(59.7)	64.8	(192.3%)	(48.1)	24.3%	(165.9)	(75.4)	120.1%
Net Income (Loss) from Discontinued Operation	0.6	0.6	6.8%	0.3	97.7%	1.0	0.9	22.0%
Consolidated Net Income	251.5	295.8	(15.0%)	195.1	28.9%	647.2	545.9	18.6%
Non-Controlling Net Income	(8.2)	(4.8)	69.8%	(6.4)	29.3%	(20.6)	(13.4)	53.3%
GAAP Net Income	243.3	291.0	(16.4%)	188.7	28.9%	626.7	532.5	17.7%
Net Margin	15.6%	22.0%	-640 bp	12.7%	290 bp	13.9%	14.0%	-10 bp

APPENDIX II

Reconciliation of the Consolidated Income Statement

In R\$ million	3Q25				9M25			
	GAAP Income Statement (1)	Deprec. and Amort. Reclass. (2)	Partners Solutions Reclass. (3)	Consolidat ed Result	GAAP Income Statement (1)	Deprec. and Amort. Reclass. (2)	Partners Solutions Reclass. (3)	Consolidat ed Result
	(a)	(b)	(c)	(a+b+c)	(a)	(b)	(c)	(a+b+c)
Net Revenue	1,562.4	-	(7.2)	1,555.3	4,512.4	-	(17.6)	4,494.8
Costs	(463.9)	37.1	7.2	(419.6)	(1,354.3)	103.7	17.6	(1,233.1)
Gross Profit	1,098.6	37.1	-	1,135.6	3,158.1	103.7	-	3,261.7
<i>Gross Margin</i>	70.3%			73.0%	70.0%			72.6%
Operating Expenses (Revenues)	(794.3)	(37.1)	-	(831.3)	(2,317.0)	(103.7)	-	(2,420.6)
Research and Development	(282.2)	15.5	-	(266.8)	(798.9)	41.1	-	(757.8)
Sales and Marketing Expenses	(332.9)	13.4	-	(319.6)	(988.5)	38.5	-	(950.0)
General and Administrative Expenses	(168.5)	27.8	-	(140.7)	(473.0)	84.8	-	(388.2)
Depreciation and Amortization	-	(93.7)	-	(93.7)	-	(268.1)	-	(268.1)
Provision for Expected Credit Losses	(14.3)	-	-	(14.3)	(42.9)	-	-	(42.9)
Other Net Revenues (Expenses)	3.7	-	-	3.7	(13.6)	-	-	(13.6)
EBIT	304.3	-	-	304.3	841.1	-	-	841.1
Financial Revenues	95.9	-	-	95.9	235.3	-	-	235.3
Financial Expenses	(96.9)	-	-	(96.9)	(274.8)	-	-	(274.8)
Equity Pickup	7.4	-	-	7.4	10.5	-	-	10.5
Earnings Before Taxes (EBT)	310.7	-	-	310.7	812.1	-	-	812.1
Income Tax and Social Contribution	(59.7)	-	-	(59.7)	(165.9)	-	-	(165.9)
Techfin Dim. Net Income (Loss)	0.6	-	-	0.6	1.0	-	-	1.0
Consolidated Net Income	251.5	-	-	251.5	647.2	-	-	647.2
Non-Controlling Net Income	(8.2)	-	-	(8.2)	(20.6)	-	-	(20.6)
GAAP Net Income	243.3	-	-	243.3	626.7	-	-	626.7
<i>Net Margin</i>	15.6%			15.6%	13.9%			13.9%

⁽¹⁾ The quarterly financial information of the Techfin operation is presented at 50% in the line "Equity Pickup"

⁽²⁾ As established in IAS-1, expenses with depreciation and amortization were reclassified to cost and expense lines associated with the respective assets that originated them

⁽³⁾ Reclassification for comparability purposes of the transactional revenue of RD Station net of the respective transfers to partners, in accordance with IFRS 15

APPENDIX III

EBITDA and Net Income Reconciliation (CVM Resolution 156/22)

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Consolidated Net Income	251.5	295.8	(15.0%)	195.1	28.9%	647.2	545.9	18.6%
(-) Net Income (Loss) Techfin	-	-	-	-	-	-	(1.1)	(100.0%)
(-) Net Income (Loss) RJ	0.6	0.6	6.8%	0.3	97.7%	1.0	1.9	(46.2%)
(+) Depreciation and Amortization	93.7	86.8	8.0%	89.0	5.3%	268.1	244.4	9.7%
(-) Financial Results	(1.0)	(19.8)	(94.9%)	(19.1)	(94.7%)	(39.5)	(34.2)	15.6%
(+) Income Tax and Social Contribution	59.7	(64.8)	(192.3%)	48.1	24.3%	165.9	75.4	120.1%
EBITDA GAAP	405.4	337.1	20.3%	351.0	15.5%	1,119.7	899.0	24.5%
(-) Equity Pickup	7.4	2.1	259.6%	0.2	>999%	10.5	(5.8)	(282.7%)
(+) Extraordinary Items	6.8	(5.2)	(230.0%)	12.0	(43.5%)	37.1	25.9	43.5%
M&A Adjustment at Fair Value	-	0.7	(100.0%)	3.8	(100.0%)	17.2	26.1	(34.0%)
Adjustment from Oper. Restructuring	0.6	(0.5)	(225.3%)	5.3	(89.3%)	6.4	4.2	51.5%
Expenses with M&A Transactions	6.2	3.1	100.6%	1.2	409.0%	9.3	10.0	(6.8%)
Loss (Gain) with Disposed Assets	-	(8.6)	(100.0%)	1.8	(100.0%)	4.2	(14.5)	(128.8%)
Adjusted EBITDA	404.8	329.9	22.7%	362.8	11.6%	1,146.3	930.7	23.2%

Adjusted Net Income Reconciliation

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
EBITDA GAAP	405.4	337.1	20.3%	351.0	15.5%	1,119.7	899.0	24.5%
Depreciation and Amortization	(93.7)	(86.8)	8.0%	(89.0)	5.3%	(268.1)	(244.4)	9.7%
Financial Result	(1.0)	(19.8)	(94.9%)	(19.1)	(94.7%)	(39.5)	(34.2)	15.6%
Income Tax and Social Contribution	(59.7)	64.8	(192.3%)	(48.1)	24.3%	(165.9)	(75.4)	120.1%
Net Income (Loss) from Discont. Operation - Techfin	-	-	-	-	-	-	(1.1)	(100.0%)
Net Income (Loss) from Discont. Operation - RJ	0.6	0.6	6.8%	0.3	97.7%	1.0	1.9	(46.2%)
Non-Controlling Net Income - Dimensa	(8.2)	(4.8)	69.8%	(6.4)	29.3%	(20.6)	(13.4)	53.3%
GAAP Net Income	243.3	291.0	(16.4%)	188.7	28.9%	626.7	532.5	17.7%
Net Result from Discontinued Operation ⁽¹⁾	-	-	-	-	-	-	1.1	(100.0%)
Preferred Techfin Dividends	(17.7)	-	-	-	-	(17.7)	-	-
Discontinued Operation Adjustment - RJ	(0.6)	(0.6)	6.8%	(0.3)	97.7%	(1.0)	(1.9)	(46.2%)
Net Extraordinary Items ⁽²⁾	4.5	(90.6)	(105.0%)	7.9	(43.1%)	24.4	(70.8)	(134.5%)
PVA of Call Option, Net ⁽³⁾	4.8	7.1	(32.1%)	7.4	(35.4%)	18.5	14.9	24.0%
Net Effect of Amort. of Acquisitions' Intangibles ⁽⁴⁾	14.4	18.6	(22.7%)	14.5	(0.8%)	43.8	52.8	(17.0%)
Adjusted Net Income	248.7	225.5	10.2%	218.3	13.9%	694.6	528.6	31.4%
Adjusted Net Margin ⁽⁵⁾	16.0%	17.1%	-110 bp	14.7%	130 bp	15.5%	13.9%	160 bp

⁽¹⁾ Until July/2023, subtract 50% of the Net Income/Loss from Discontinued Operation (Techfin business unit). From August/2023, subtract the Profit and price adjustment of the sale of 50% of Techfin to Itaú.

⁽²⁾ Extraordinary items Net of Income Tax from: (i) EBITDA GAAP; (ii) Tax Credit arising from the constitution of Deferred Income Tax of RD Station; (iii) the Financial Result; and (iv) Techfin Result (50%)

⁽³⁾ Present Value Adjustment Finance Expense arising from the Call Option to purchase non-controlling interests, as per the partnership agreement with B3 for the Dimensa operation

⁽⁴⁾ Amortization of intangibles arising from acquisitions, except goodwill, Net of Income taxes

⁽⁵⁾ Adjusted Net Income as % of the Revenue net of Funding Cost, considering the Techfin's Results revenue at 50% in all periods

Depreciation and Amortization Reconciliation

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Depreciation	(45.4)	(39.9)	13.8%	(44.0)	3.4%	(130.0)	(113.9)	14.2%
Amortization	(27.5)	(22.6)	21.2%	(24.0)	14.4%	(74.5)	(62.5)	19.3%
Adjusted Depreciation and Amortization	(72.9)	(62.6)	16.5%	(68.0)	7.3%	(204.5)	(176.3)	16.0%
Intangibles Amortization from Acquisitions	(20.8)	(24.2)	(14.0%)	(21.0)	(0.9%)	(63.6)	(68.1)	(6.6%)
Depreciation and Amortization	(93.7)	(86.8)	8.0%	(89.0)	5.3%	(268.1)	(244.4)	9.7%

Financial Result Reconciliation

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Financial Revenues	78.1	67.3	16.1%	73.8	5.9%	217.6	224.1	(2.9%)
Financial Expenses	(89.5)	(70.6)	26.8%	(81.6)	9.7%	(246.9)	(232.3)	6.3%
Adjusted Financial Result	(11.4)	(3.4)	240.8%	(7.8)	45.6%	(29.4)	(8.2)	256.8%
Preferred Techfin Dividends	17.7	-	-	-	-	17.7	-	-
PVA of Call Option - Dimensa	(7.3)	(10.7)	(32.1%)	(11.3)	(35.4%)	(28.1)	(22.6)	24.0%
Extraordinary PVA - Earn-outs	(0.0)	(5.7)	(99.2%)	-	-	0.2	(3.3)	(105.9%)
Financial Result	(1.0)	(19.8)	(94.9%)	(19.1)	(94.7%)	(39.5)	(34.2)	15.6%

Adjusted Income Tax Reconciliation

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
EBT (Management + RD Station)	303.3	228.5	32.7%	242.7	25.0%	801.6	626.2	28.0%
Taxes at nominal rate (34%)	(103.1)	(77.7)	32.7%	(82.5)	25.0%	(272.5)	(212.9)	28.0%
Law 11,196/05 - R&D Incentive	8.7	8.3	5.3%	8.8	(1.0%)	25.0	24.1	4.0%
Interest on Equity	30.0	46.3	(35.2%)	29.9	0.3%	87.8	46.3	89.5%
Effect of Different Taxation in Subsidiaries	(2.9)	(1.7)	67.4%	(2.7)	4.7%	(8.4)	(11.7)	(28.4%)
Management Bonus	(1.1)	(1.0)	10.2%	(1.2)	(3.9%)	(3.5)	(2.6)	36.3%
Workers' Meal Program	0.8	0.3	151.8%	0.5	75.4%	2.3	2.1	6.6%
Other	7.8	(0.7)	<(999%)	(0.9)	<(999%)	3.4	(11.6)	(129.3%)
Deferred Tax Provision - RD Station	-	90.9	(100.0%)	-	-	-	90.9	(100.0%)
Income Tax and Social Contribution	(59.7)	64.8	(192.3%)	(48.1)	24.3%	(165.9)	(75.4)	120.1%
Current Income Tax and Social Contribution	(51.1)	(28.8)	77.7%	(32.9)	55.6%	(148.2)	(152.0)	(2.5%)
Deferred Income Tax and Social Contribution	(8.6)	93.5	(109.2%)	(15.2)	(43.5%)	(17.7)	76.6	(123.2%)
% Total Effective Tax Rate	19.7%	-28.3%	4800 bp	19.8%	-10 bp	20.7%	12.0%	870 bp
Extraordinary Items Income Tax Adjustment (34%)	(11.9)	(103.0)	(88.5%)	(15.1)	(21.1%)	(43.7)	(131.7)	(66.8%)
Extraordinary Items - EBITDA	(2.3)	1.8	(230.0%)	(4.1)	(43.5%)	(12.6)	(8.8)	43.5%
Extraordinary Items - Depreciation and Amortization	(7.1)	(8.2)	(14.0%)	(7.1)	(0.9%)	(21.6)	(23.2)	(6.6%)
Extraordinary Items - Financial Result	(2.5)	(5.6)	(55.5%)	(3.8)	(35.0%)	(9.5)	(8.8)	7.5%
Deferred Tax Provision - RD Station	-	(90.9)	(100.0%)	-	-	-	(90.9)	(100.0%)
Adjusted Income Tax and Social Contribution	(71.6)	(38.2)	87.4%	(63.1)	13.4%	(209.7)	(207.1)	1.3%

APPENDIX IV

Cash Flow

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
EBT	310.7	230.5	34.8%	242.9	27.9%	812.1	620.4	30.9%
Adjustments:	220.4	164.8	33.7%	197.4	11.6%	623.5	512.9	21.6%
Depreciation and Amortization	93.7	86.8	8.0%	89.0	5.3%	268.1	244.4	9.7%
Share-based Compensation	28.9	21.6	33.7%	14.3	101.5%	55.6	41.1	35.3%
Loss (Gain) with Disposed Assets	(1.1)	(11.1)	(90.5%)	1.7	(163.1%)	2.9	(18.2)	(116.0%)
Provision for Expected Credit Losses	14.3	12.9	11.3%	14.0	2.1%	42.9	42.4	1.3%
Equity Pickup	(7.4)	(2.1)	259.6%	(0.2)	>999%	(10.5)	5.8	(282.7%)
Prov. for Contingencies, Net of Reversals	13.7	4.5	201.4%	2.1	542.3%	29.3	11.0	165.9%
Provision (Reversal) for Other Obligations	-	(20.1)	(100.0%)	5.3	(100.0%)	16.5	(21.7)	(175.7%)
Interest and Monet./FX variations, net	78.3	72.4	8.1%	71.1	10.0%	218.7	208.2	5.0%
Changes in Op. Assets and Liabilities:	(74.6)	(65.4)	14.0%	(59.1)	26.1%	(247.4)	(118.9)	108.1%
Trade Receivables	(18.3)	(9.5)	92.0%	(39.9)	(54.3%)	(156.2)	(78.7)	98.4%
Recoverable Taxes	1.6	(16.9)	(109.6%)	(25.8)	(106.3%)	(47.5)	(35.6)	33.5%
Judicial Deposits	0.2	(1.1)	(115.8%)	(0.9)	(119.7%)	(4.3)	(0.0)	>999%
Other Assets	(43.2)	(23.1)	86.6%	(108.6)	(60.3%)	(176.0)	(110.0)	60.0%
Labor Liabilities	11.1	3.8	195.5%	117.3	(90.5%)	143.3	113.4	26.4%
Trade and Other Payables	(17.8)	(24.2)	(26.7%)	(7.9)	124.0%	(4.9)	12.9	(138.2%)
Commissions Payable	5.3	11.2	(52.9%)	3.5	49.3%	0.5	(1.6)	(134.4%)
Taxes and Contributions Payable	(14.4)	3.3	(539.4%)	16.4	(187.5%)	11.1	(3.7)	(399.5%)
Other Accounts Payable	0.8	(8.8)	(109.2%)	(13.2)	(106.1%)	(13.3)	(15.6)	(14.8%)
Operating Cash Generation	456.5	329.9	38.4%	381.1	19.8%	1,188.2	1,014.5	17.1%
Interest paid	(112.9)	(76.2)	48.2%	(2.2)	>999%	(195.3)	(176.4)	10.7%
Tax Paid	(33.6)	(33.4)	0.4%	(27.2)	23.4%	(134.6)	(129.2)	4.2%
Net Cash from Operating Activities	310.1	220.4	40.7%	351.7	(11.8%)	858.3	708.9	21.1%
Acquisitions of Prop. Plant and Equip.	(29.9)	(19.8)	51.3%	(41.9)	(28.6%)	(123.6)	(80.5)	53.5%
Acquisition of Intangible Assets	(24.3)	(20.1)	20.6%	(29.7)	(18.2%)	(76.3)	(98.2)	(22.3%)
Franchises Loan	2.1	(18.8)	(111.4%)	3.3	(35.1%)	8.4	(11.4)	(173.6%)
Dividends Received	15.6	-	-	-	-	15.6	-	-
Acquisition of Subsidiaries, Net of Cash	(194.2)	-	-	-	-	(194.2)	(583.6)	(66.7%)
Payments from Acquisitions of Subsidiaries	(7.5)	-	-	(26.7)	(71.8%)	(121.7)	(315.0)	(61.4%)
Proceeds from Sale of Subsid., Net of Cash	-	22.0	(100.0%)	-	-	-	43.2	(100.0%)
Proceeds from Sale of Prop. Plant and Equip.	2.2	1.5	42.9%	1.1	97.6%	4.7	9.8	(51.8%)
CVC Fund Investments	(23.2)	(15.4)	50.5%	(2.4)	850.5%	(47.0)	(41.4)	13.5%
Cash generated from (used in) RJ Participações	0.2	0.8	(80.7%)	(0.1)	(223.2%)	-	-	-
Net Cash used in Investing Act.	(259.0)	(49.7)	421.2%	(96.4)	168.7%	(535.7)	(1,074.3)	(50.1%)
Payment of Princ. of Loans and Financing	(13.1)	-	-	-	-	(13.1)	(40.4)	(67.5%)
Payment of Principal of Lease Liabilities	(17.2)	(16.7)	2.5%	(22.2)	(22.6%)	(54.7)	(46.8)	16.9%
Proceeds from debentures, loans and finan.	-	1,475.0	(100.0%)	-	-	-	1,475.0	(100.0%)
Payment of Principal of Debentures	(21.2)	(1,500.0)	(98.6%)	-	-	(21.2)	(1,505.0)	(98.6%)
Dividends and Interest on Equity Paid	(88.0)	(136.6)	(35.6%)	(81.9)	7.5%	(170.0)	(136.6)	24.4%
Net Treasury Shares	-	(42.7)	(100.0%)	-	-	-	(355.1)	(100.0%)
Net Cash gen. by (used in) Financ. Act.	(139.5)	(221.1)	(36.9%)	(104.1)	34.1%	(259.0)	(608.9)	(57.5%)
Incr. (Dec.) in Cash and Cash Eq.	(88.5)	(50.4)	75.6%	151.2	(158.5%)	63.6	(974.3)	(106.5%)
Cash and Equiv. Beginning of the Period	2,094.2	2,205.2	(5.0%)	1,943.0	7.8%	1,942.2	3,129.2	(37.9%)
Cash and Equiv. End of the Period	2,005.7	2,154.8	(6.9%)	2,094.2	(4.2%)	2,005.7	2,154.8	(6.9%)

APPENDIX V

Balance Sheet (GAAP)

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q
ASSETS					
Current Assets	3,145.2	3,058.5	2.8%	3,169.4	(0.8%)
Cash and Cash Equivalents	2,005.7	2,154.8	(6.9%)	2,094.2	(4.2%)
Trade Receivables	736.1	647.8	13.6%	734.7	0.2%
Provision for Expected Credit Losses	(67.5)	(65.8)	2.5%	(68.3)	(1.2%)
Recoverable Taxes	77.1	80.3	(4.0%)	93.9	(17.9%)
Escrow Account	46.1	13.7	236.8%	19.2	140.1%
Other Assets	289.9	227.8	27.3%	238.2	21.7%
RJ Participações Assets	57.8	-	-	57.4	0.7%
Non-current Assets	6,074.6	5,721.8	6.2%	5,793.2	4.9%
Long-term assets	858.9	733.0	17.2%	841.5	2.1%
Trade Receivables	17.9	16.5	8.3%	15.1	18.2%
Receivables from Related Parties	4.7	5.2	(9.4%)	4.7	(0.1%)
Deferred Tax Assets	243.4	231.2	5.3%	245.1	(0.7%)
Judicial Deposits	28.4	31.9	(11.0%)	29.2	(2.7%)
Investments at Fair Value	213.1	163.5	30.3%	196.7	8.3%
Escrow Account	192.7	181.6	6.2%	184.0	4.8%
Other Assets	158.6	103.0	53.9%	166.6	(4.8%)
Investments	314.4	317.6	(1.0%)	324.9	(3.2%)
Property, Plant and Equipment	456.7	397.5	14.9%	423.1	8.0%
Intangible	4,444.6	4,273.7	4.0%	4,203.7	5.7%
TOTAL ASSETS	9,219.9	8,780.4	5.0%	8,962.6	2.9%
LIABILITIES					
Current Liabilities	1,339.7	1,254.0	6.8%	1,343.3	(0.3%)
Labor Liabilities	544.7	473.3	15.1%	547.0	(0.4%)
Trade and Other Payables	209.4	170.4	22.8%	224.3	(6.7%)
Taxes and Contributions Liabilities	134.5	113.9	18.0%	131.8	2.0%
Debentures	40.7	18.5	120.2%	88.2	(53.9%)
Lease Liabilities	70.7	58.2	21.4%	67.3	5.0%
Dividends Payable	89.6	1.1	>999%	89.3	0.3%
Accounts Payable from Acq. of Subsid.	73.9	244.9	(69.8%)	43.5	69.9%
Commissions Payable	69.8	63.6	9.6%	64.5	8.2%
Other Liabilities	96.7	110.0	(12.1%)	77.6	24.7%
RJ Participações Liabilities	9.8	-	-	9.8	(0.2%)
Non-current Liabilities	2,473.1	2,418.3	2.3%	2,404.0	2.9%
Lease Liabilities	92.4	78.2	18.2%	62.5	47.8%
Debentures	1,476.0	1,471.0	0.3%	1,474.7	0.1%
Accounts Payable from Acq. of Subsid.	242.7	255.0	(4.8%)	218.7	11.0%
Tax Obligations	-	0.0	(100.0%)	-	-
Deferred Income Taxes	27.1	15.6	73.5%	20.2	34.4%
Provision for Contingencies	108.1	100.9	7.1%	100.8	7.3%
Call Option of Non-controlling Interests	472.9	435.3	8.6%	465.6	1.6%
Other Liabilities	53.9	62.3	(13.4%)	61.6	(12.5%)
Shareholders' Equity	5,407.1	5,108.1	5.9%	5,215.3	3.7%
Share Capital	2,962.6	2,962.6	0.0%	2,962.6	0.0%
Treasury Shares	(305.1)	(606.6)	(49.7%)	(305.2)	(0.0%)
Capital Reserves	280.8	730.8	(61.6%)	252.1	11.4%
Profit Reserve	2,083.8	1,659.3	25.6%	1,928.8	8.0%
Carrying Value Adjustments	55.3	56.6	(2.2%)	59.0	(6.2%)
Non-controlling Interest	329.7	305.5	7.9%	318.1	3.7%
TOTAL LIABILITIES AND EQUITY	9,219.9	8,780.4	5.0%	8,962.6	2.9%

APPENDIX VI

Amortization Aging of Acquisition Intangibles (Management + RD Station)

In R\$ million	3Q25
Up to 12 months	78.3
from 13 to 24 months	79.3
from 25 to 36 months	74.6
from 37 to 48 months	61.4
over 48 months	233.5
Total	527.1

Amortization Aging of Acquisition Intangibles (Techfin 100%)

In R\$ million	3Q25
Up to 12 months	7.6
from 13 to 24 months	7.1
from 25 to 36 months	6.6
from 37 to 48 months	6.6
over 48 months	21.9
Total	49.7

Amortization of Acquisition Goodwill

The acquisition goodwill represents the difference between the amount paid for acquiring a company and the fair value of its net assets. In Brazil, the amortization of this goodwill can generate a significant tax benefit, allowing the amortized amount to be deducted from the Corporate Income Tax (IR) and Social Contribution (CSLL) on Net Income tax bases, thereby reducing the acquiring Company's tax burden.

The goodwill related to acquisitions is not amortized for accounting purposes. As shown in the table below, total goodwill amounted to R\$3.5 billion in 3Q25, of which R\$823 million has already been amortized for IR/CSLL tax purposes.

Acquisition Goodwill (R\$ million)	
Total	3,549.4
Used as a benefit until 09/30	(823.3)
Balance to be used:	2,726.1
Balance of non-merged companies	2,173.1
Incorporated balance to be used:	552.9
Up to 12 months	(212.7)
From 13 to 24 months	(149.1)
From 25 to 36 months	(126.7)
Over 36 months	(107.7)

APPENDIX VII

Adjusted Net Income Reconciliation Techfin (100%)

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
Adjusted Net Income (Loss) from Techfin	16.1	9.3	71.8%	1.6	932.6%	24.8	5.9	320.3%
Extraordinary Items, Net	-	-	-	-	-	-	(1.7)	(100.0%)
Net Effect of Amortization	(1.2)	(5.2)	(76.1%)	(1.2)	0.0%	(3.7)	(15.7)	(76.1%)
Net Income (Loss) from Techfin	14.8	4.1	259.6%	0.3	>999%	21.1	(11.5)	(282.7%)
Other Results ⁽¹⁾	7.4	2.1	259.7%	0.2	>999%	10.5	(5.8)	(282.7%)
Equity Pickup - TOTVS	7.4	2.1	259.6%	0.2	>999%	10.5	(5.8)	(282.7%)

⁽¹⁾ Result allocated to partner shareholders + Net Result from Techfin before the JV with Itaú

Cash Flow Techfin (100%)

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q	9M25	9M24	Δ y/y
EBT	(10.1)	2.7	(467.3%)	2.1	(573.2%)	3.3	(11.0)	(129.8%)
Non-Cash Items	82.5	51.0	61.9%	52.9	56.1%	181.3	160.4	13.0%
Change in Working Capital	245.2	(249.6)	(198.2%)	(163.5)	(249.9%)	(19.3)	(55.8)	(65.5%)
Operating Cash Generation	317.6	(195.9)	(262.2%)	(108.5)	(392.8%)	165.3	93.6	76.7%
Interest paid	(0.0)	(0.5)	(92.2%)	(0.0)	(17.5%)	(0.1)	(0.9)	(84.5%)
Income Tax and Social Cont. paid	-	(0.1)	(100.0%)	(0.0)	(100.0%)	(1.3)	(0.5)	174.1%
Net Cash from Operating Activities	317.6	(196.5)	(261.6%)	(108.6)	(392.6%)	163.9	92.2	77.8%
Fixed Assets	(0.2)	0.3	(173.7%)	(0.1)	102.2%	(0.5)	(0.1)	416.2%
Intangibles	(0.2)	(0.1)	117.6%	(0.2)	(28.1%)	(0.6)	(3.2)	(81.2%)
Financial Rescues (Invest.)	(128.6)	83.2	(254.5%)	52.3	(345.9%)	(95.9)	(1.1)	>999%
Net Cash used in Investing Act.	(129.0)	83.5	(254.6%)	51.9	(348.4%)	(97.0)	(4.3)	>999%
Increase (Decrease) Gross Debt	(74.1)	240.7	(130.8%)	69.6	(206.4%)	(142.8)	248.1	(157.6%)
Payment of Principal of Lease Liabilities	(0.5)	(0.4)	34.3%	(0.6)	(9.5%)	(1.7)	(1.4)	27.6%
Red. (Inv.) of Senior Quotas	(131.5)	(113.0)	16.4%	46.6	(382.5%)	(30.7)	(333.5)	(90.8%)
Net Cash gen. by (used in) Financ. Act.	(221.7)	127.3	(274.2%)	115.6	(291.8%)	(190.9)	(86.8)	120.0%
Incr. (Dec.) in Cash and Cash Equivalent	(33.2)	14.3	(332.4%)	59.0	(156.2%)	(124.0)	1.1	<(999%)
Cash and Equiv. Beginning of the Period	168.1	186.0	(9.6%)	109.2	54.0%	259.0	199.2	30.0%
Cash and Equiv. End of the Period	135.0	200.2	(32.6%)	168.1	(19.7%)	135.0	200.2	(32.6%)
Revenue from financial investment, net of Taxes	1.1	3.8	(71.4%)	3.9	(71.7%)	8.5	12.7	(33.1%)
Free Cash Flow to Firm ⁽¹⁾	315.6	(200.0)	(257.8%)	(113.3)	(378.5%)	152.7	75.8	101.5%

⁽¹⁾ Operating Cash Generation (-) Income Tax and Social Cont. paid (-) Investing in Fixed Assets and Intangibles (-) Payment of Principal of Lease Liabilities (-) Short-term investment yield

Balance Sheet Techfin (100%)

In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q
ASSETS					
Current Assets	2,839.2	2,686.8	5.7%	2,827.7	0.4%
Cash and Cash Equivalents	135.0	200.2	(32.6%)	168.1	(19.7%)
Financial Investments	267.6	299.0	(10.5%)	127.2	110.5%
Trade Receivables	2,380.2	2,138.4	11.3%	2,472.7	(3.7%)
Other Assets	56.5	49.2	14.8%	59.6	(5.4%)
Non-current Assets	199.0	234.8	(15.2%)	210.8	(5.6%)
Long-term assets	25.8	46.2	(44.2%)	34.5	(25.2%)
Property, Plant and Equipment	5.0	4.7	5.8%	5.6	(11.6%)
Intangible	168.3	183.9	(8.5%)	170.7	(1.4%)
TOTAL ASSETS	3,038.3	2,921.6	4.0%	3,038.5	(0.0%)
LIABILITIES					
Current Liabilities	2,395.7	2,277.0	5.2%	2,377.6	0.8%
Loans and Financing	75.9	251.4	(69.8%)	302.6	(74.9%)
Business Partners Payable	847.2	764.0	10.9%	698.9	21.2%
Senior and Mezzanine Quotas	1,210.4	1,200.6	0.8%	1,293.9	(6.5%)
Other Liabilities	262.2	61.0	330.0%	82.2	219.0%
Non-current Liabilities	13.7	9.4	46.1%	11.3	20.8%
Loans and Financing	0.8	0.9	(8.4%)	1.3	(37.1%)
Other Liabilities	12.9	8.5	51.6%	10.1	28.1%
Shareholders' Equity	628.8	635.2	(1.0%)	649.5	(3.2%)
TOTAL LIABILITIES AND EQUITY	3,038.3	2,921.6	4.0%	3,038.5	(0.0%)

Techfin's Credit Rights by Maturity (100%)

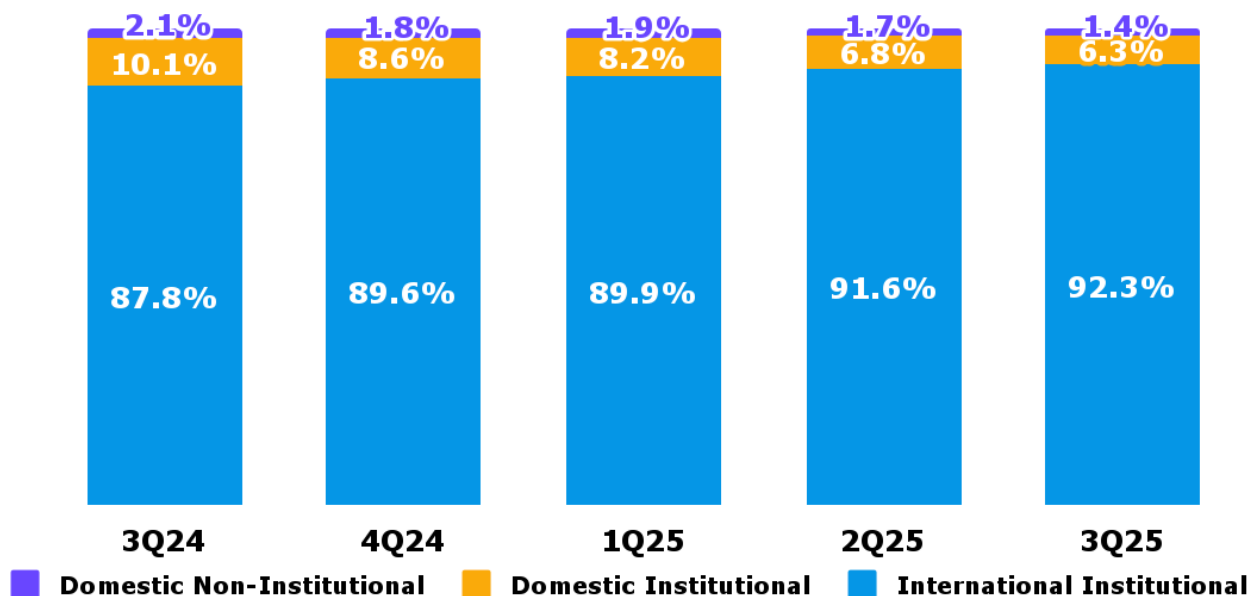
In R\$ million	3Q25	3Q24	Δ y/y	2Q25	Δ q/q
On Due	2,333.4	2,125.3	9.8%	2,427.8	(3.9%)
Notes overdue					
Up to 30 days	29.9	14.3	108.9%	43.9	(31.8%)
from 31 to 60 days	3.8	5.1	(24.2%)	5.5	(30.7%)
from 61 to 90 days	8.9	3.3	169.8%	4.1	120.0%
from 91 to 180 days	26.9	10.4	159.8%	10.7	150.5%
from 181 to 360 days	13.2	17.2	(22.9%)	13.0	2.2%
over 360 days	153.6	131.1	17.1%	149.1	3.0%
Gross Trade Receivables	2,569.8	2,306.7	11.4%	2,654.1	(3.2%)
Provision for Expected Credit Losses	(189.6)	(164.2)	15.5%	(181.4)	4.5%
Total	2,380.2	2,142.5	11.1%	2,472.7	(3.7%)

APPENDIX VIII

SHAREHOLDING COMPOSITION

TOTVS closed 3Q25 with a share capital of approximately R\$3 billion, composed of 599,401,581 common shares, of which approximately 89% are in free float, with the following composition:

Em % do free float



APPENDIX IX

Reconciliation of the reclassification of cost of revenues related to partnership solutions

In R\$ million	2022	2023	2024 YTD	2025
Result before reclassification				
Net Revenue	3,743.1	4,415.2	5,197.75	4,512.4
Costs	(1,017.2)	(1,186.0)	(1,455.3)	(1,247.8)
Gross Profit	2,725.9	3,229.2	3,742.5	3,264.6
Reclassification				
Net Revenue	(0.2)	(2.2)	(11.4)	(17.6)
Costs	0.2	2.2	11.4	17.6
Gross Profit	-	-	-	-
Result after reclassification				
Net Revenue	3,742.8	4,413.0	5,186.3	4,494.8
Costs	(1,017.0)	(1,183.8)	(1,443.8)	(1,230.2)
Gross Profit	2,725.9	3,229.2	3,742.5	3,264.6

Reconciliation of RD Station BU ARR

In R\$ million	2022	2023	2024	9M25
ARR				
Total	330.0	476.2	581.70	659.3
SaaS	326.0	466.7	543.5	610.4
Transactional	4.0	9.5	38.2	48.8
ARR Net Addition				
Total	72.2	115.3	105.5	77.6
SaaS	69.4	110.7	76.8	66.9
Transactional	2.8	4.6	28.7	10.7
Inorganic Addition				
Total	6.2	30.9	-	-
SaaS	5.0	30.1	-	-
Transactional	1.2	0.8	-	-

In R\$ million	3Q24	4Q24	1Q25	2Q25	3Q25
ARR					
Total	558.8	581.7	612.3	641.9	659.3
SaaS	527.0	543.5	565.3	587.3	610.4
Transactional	31.8	38.2	46.9	54.6	48.8
ARR Net Addition					
Total	22.7	22.9	30.6	29.7	17.4
SaaS	15.7	16.5	21.8	21.9	23.2
Transactional	7.0	6.4	8.8	7.7	(5.8)



GLOSSARY

A

Adjusted Net Income: is a non-accounting measure that represents Net Income without the net effects of the respective impacts of income tax and social contribution from: (i) extraordinary expenses; (ii) financial expenses for adjustment to present value arising from the option to purchase a non-controlling interest, as provided for in the partnership agreement of Dimensa's operation with B3; (iii) extraordinary impacts on financial expenses for adjustment to present value arising from earn-outs adjustments; and (iv) the portion of Income attributed to Dimensa's non-controlling shareholders.

ADTV Average Daily Trading Volume of shares.

ARR (Annual Recurring Revenue): It denotes the yearly income generated from recurring agreements. It is an important indicator of the company's revenue predictability.

C

CAC (Customer Acquisition Cost): it is an indicator that reveals the average expenditure a company incurs in acquiring a new customer. It is calculated by dividing the total marketing and sales investment by the number of customers acquired within a specific timeframe.

Corporate Model: under this payment model for management software, customers receive unlimited access to contracted systems. Annual agreement fees are adjusted in the first quarter based on customer performance in the previous year, as determined by updated contractual metrics like gross revenue. The updated fees have an impact on both License Revenue and Recurring Revenues. With Licenses, the increase reflects only customers who expanded their business year after year, increasing to a higher range in the price list, while with Recurring Revenue the impact is the net balance between customers who "went up" and those who "went down" in the price list.

E

Earn-out: it is a portion corresponding to the payment of the part of the acquisition price of a

company, usually tied to performance and to certain targets of the acquired company.

EBITDA: acronym of Earnings Before Interest, Income Tax (IRPJ) and Social Contribution on Earnings, Depreciation and Amortization. It is a non-accounting measurement prepared by the Company that comprises net income for the year or period, excluding the effects of revenues and financial expenses, of income Tax and of social contribution and of costs and expenses from depreciation and amortization.

eNPS (Employee Net Promoter Score): it comprises an employee engagement index. It measures how likely employees are to recommend the company as a good place to work.

F

FIDC (Credit Rights Investment Fund): it is a type of investment fund that pools funds from multiple investors to purchase credit rights, that is, the FIDC buys debts from companies or individuals and divides them into smaller portions that are sold to investors.

G

GDPR is the Law 13.709/2018, called the General Data Protection Law.

Global Report Initiative (GRI): is a multi-stakeholder organization that sets global sustainability reporting standards developed with input from different stakeholders and focused on the public interest.

GMV (Gross Merchandise Volume): It represents the overall number of goods and services sold on its marketplace during a specific timeframe. It is a metric adopted to estimate the size of one's platform, but not its health.

I

IBOV (Bovespa Index): it is the most important indicator of the average performance of stock prices traded on B3 - Brasil, Bolsa, Balcão.

IBrX-50 (Brazil 50 Index): an indicator of the average price performance of the 50 most tradable and representative assets of the Brazilian stock market.



IGP-M (General Market Price Index): a comprehensive Brazilian inflation index that measures the variation of prices at different stages of production, from raw materials to finished goods. This can be compared to the American indicators PPI (Producer Price Index) and PCE (Personal Consumption Expenditures), which monitor not just retail prices but also intermediate product prices and company production costs. It is widely used to update contracts fees, such as rentals, and to index investments.

Inflation in costs and expenses: operating costs and expenses can be influenced by inflation. As a Technology company, the main line is Personnel. Employees' salary bases are readjusted through the negotiation process between workers' unions and companies. This adjustment is generally annual and aims to compensate for the loss of purchasing power caused by inflation. Therefore, the variation of the IPCA and/or INPC over the last 12 months is used as the basis for this negotiation. Each region in which the Company operates is associated with a specific union in the sector and has adjustment anniversaries on different dates, the most relevant being listed below according to the concentration of number of employees: (i) São Paulo readjusted in January; (ii) Belo Horizonte and Rio de Janeiro readjusted in September; (iii) Joinville readjusted in October; and (iv) Santa Catarina in August.

Inflation in revenue: the Company periodically adjusts the prices of its products and services, aiming at business sustainability and monitoring market variations. The price list is regularly reviewed and the vast majority of Recurring Revenue contracts provide for automatic annual adjustments, taking into account several factors, the main one being inflation.

In the case of the Management Business Unit, approximately 80% of the Recurring Revenue base is automatically renewed each year and its values are readjusted according to the accumulated inflation of the last 12 months, calculated on the contract anniversary. If inflation is negative, the value of the contract is not reduced. The inflation indices most used for these adjustments are the IGP-M and the IPCA, and the new contracts, by default, are linked to the IPCA, causing this index to increase its representation over time. The other approximately 20% of the company's recurring revenue contracts are adjusted annually by a performance mechanism, with the corporate model being the most common and also the Intera Unlimited model which has been gaining representation. Finally, there are less than 5% of

contracts that do not have automatic renewal and depend on commercial negotiation at each renewal. In the case of the RD Station Business Unit, most annual adjustments to current contracts also occur on the anniversary of the contracts and take into account the last update of the price table. This table can be updated more than once a year and normally takes into account the inflation of the period (generally IPCA), added to other market effects, such as the price charged by competitors.

INPC (National Consumer Price Index): a Brazilian inflation index that, like the IPCA, measures the price variation of a selection of goods and services consumed by Brazilian families. However, the major difference between the two is the target audience. The INPC monitors the price variation for families with an income of up to 5 minimum wages. The IPCA monitors the price variation for families with an income of up to 40 minimum wages.

Interest on Equity: is a form of remuneration paid to the partners or shareholders of a company, calculated on the value of the equity. This remuneration is considered an expense for the company, which means it can be deducted from the net income before calculating the Corporate Income Tax (IRPJ) and the Social Contribution on Net Income (CSLL), thus reducing the company's tax burden while distributing dividends to shareholders. It is worth noting that the payment of Interest on Equity is limited to the lower value among: (i) 50% of the net income for the fiscal year; (ii) 50% of retained earnings and profit reserves; and (iii) the variation of the Long-Term Interest Rate (TJLP) on the equity.

IPCA (Broad National Consumer Price Index): a Brazilian inflation index that measures the average variation of prices paid by urban consumers for goods and services that Brazilians consume on a daily basis, such as food, rent, transportation, etc. Comparable to the American CPI (Consumer Price Index), this indicator holds significant influence over key decisions in Brazil, particularly in determining the interest rate by the Central Bank.

L

Lei do Bem: Law 11.196/05, popularly known as Lei do Bem, was created to stimulate and encourage Brazilian companies to invest in Research, Development and Innovation (R&D). This law offers several tax benefits to companies that carry out R&D activities, aiming to boost innovation and competitiveness in the private sector in Brazil.



In the case of TOTVS, the main benefit is the reduction of Income Tax (IRPJ) and Social Contribution on Net Income (CSLL) obtained through the deduction of a portion of R&D expenses from the calculation basis of these taxes, thus reducing its tax burden.

LTV (Life Time Value): it is a metric that defines the average value of the customer's life cycle. It represents the financial resources acquired by the company through customer purchases and services over the duration of their relationship with the company.

LTM (Last Twelve Months): sum of the last twelve months.

Logo Churn: business metric that measures the percentage rate of customers (or "logos") who have canceled their contracts or stopped using a company's services within a specific period. Unlike Revenue Churn, which focuses on the financial impact (lost revenue), Logo Churn strictly quantifies the number of customers lost. This is a crucial metric for assessing customer retention, especially in subscription-based companies (such as SaaS), indicating the organization's ability to maintain its active customer base.

M

Management business unit: a segment of TOTVS's business focused on business management solutions, which includes the offer of ERPs and other software for business management.

N

NPS (Net Promoter Score): is a measure obtained from customer surveys to evaluate the likelihood of recommending the company, product, or service.

P

Payroll Exemption: It is a measure that aims to reduce companies' labor costs, replacing the social security contribution on the payroll with a contribution on gross revenue. In other words, instead of paying a percentage of each employee's salary, the company pays a percentage of the total value of its sales. Currently, TOTVS uses, in most of its operations, the benefit of payroll exemption, replacing the 20% rate on INSS (Social Security tax) on payroll for a rate of 4.5% of Social Security Contribution on Gross Revenue (CPRB).

PLG (Product-Led Growth): is described as a scenario where the product's usage is the major factor driving users' acquisition, retention, and expansion. Thus, PLG can be considered both a growth strategy and an innovative business model. It is a growth model focused on the end user, based entirely on the product.

R

RD Station business unit: a division of TOTVS that offers solutions for enhancing business performance, such as digital marketing, customer management, and automation tools.

Renewal Rate: represents the percentage of clients that remained in the recurring base at the end of the period, compared with the base at the beginning of the period, using the Recurring Revenue as a reference.

Revenue Net of funding cost: a structure usually adopted by the financial market, which makes up the revenue net of the cost formed by the remuneration of the FIDC's senior and mezzanine shares.

S

Selic (Special Settlement and Custody System): it is the basic interest rate of the Brazilian economy. It is the major monetary policy metric used by the Brazilian Central Bank (BC) to control inflation.

Signings: the Company's sales and growth indicator that shows how much TOTVS is managing to expand its customer base, whether by up-selling or cross-selling, and to increase its recurring revenues, especially in increasingly competitive markets.

T

Take rate: it is a metric that represents the percentage of a transaction's value retained by a platform or intermediary as revenue. This concept is commonly used in marketplaces, fintechs, e-commerce, and online service platforms business models, where the company acts as an intermediary between sellers and buyers.



TCO (Total Cost of Ownership): it denotes the sum of all possible costs related to the purchase and possession of a product or service.

TPV (Total Payment Volume): is the total value of transactions processed by a particular company, payment platform, or financial institution.

Techfin business unit: TOTVS's financial services division, responsible for providing credit and financing solutions to customers, which is seamlessly incorporated into the company's management systems.

U

Unlimited Intera Model: This model is similar to the corporate model, differing only in the anniversary of the adjustment, which is made on the anniversary of the contract and not in the first quarter and the fact that it only affects Recurring Revenue.

Y

YTD (Year to Date): Refers to the accumulated value of a given indicator from the year up to the reporting date.