



TOTVS AI STRATEGY



May/2026

- **Increase our relevance within clients**
- **Maintain our benchmark in Management**
- **Preserve the DNA of innovation and pioneering spirit at TOTVS**

CEO MESSAGE - THE PRESENT AND FUTURE OF AI

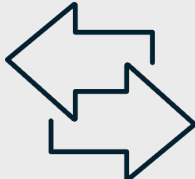
and the execution of our strategy

CURRENT REALITY

TOTVS's decision to become the **trusted advisor** for the SMB market, **two years ahead of the AI boom**, was the strategy to reinforce the transformation of data into information, information into knowledge, knowledge into strategy, and now, with **LYNN** and **Techfin**, to ensure the union of productivity, agility, and financial services in value creation

TOTVS's recent performance has reinforced that **we are, and will remain, far removed** from the 'SaaSpocalypse' turmoil

2026



FUTURE REALITY

The first **5-year cycle of trillion-dollar investments** in computing capacity, which began in 2025, **has been successfully completed**, evolving from a period of trial and error to a phase of consolidated, **integrated, and secure enterprise consumption**. Within the ERP scope, this stabilization was decisive in enabling critical processes and fully leveraging the installed infrastructure.

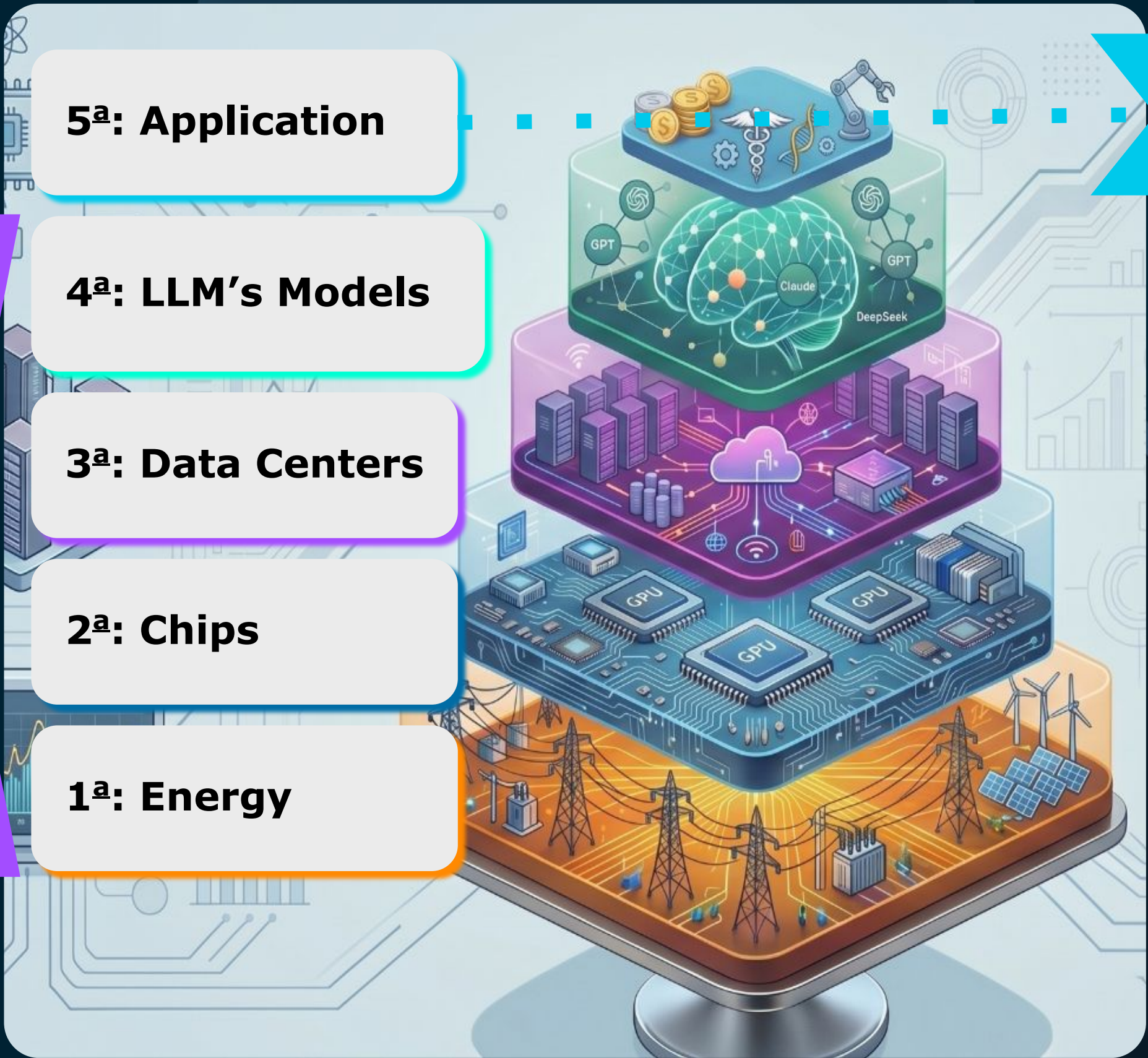
In the Brazilian SMB market, the presence of a **trusted advisor** has enabled the implementation of **thousands of agents** performing diverse tasks, **reaching new levels of efficiency and productivity**. Through the universalization of Cloud, **TOTVS** customers ensure data sovereignty and security, benefiting their operations and driving **continuous value generation**.

2030



IA's Economy

Jensen Huang's 5-layered cake



The **bottom 4 layers** represents the infrastructure **AI "supply"**, and it is where the initial impact of the AI economy happens, particularly in chips and LLMs. However, **for all this investment to yield its proper return**, the top layer, applications, especially corporate ones, **must grow consistently.**

How will it grow?

The **most significant shift** brought by AI to enterprise applications is the **emergence of agents.** Enterprise software never had the capability to perform tasks. That responsibility resided solely with human users. With AI, there is a real opportunity **to replace a relevant portion** of this human-user **expense** with **agents. This transition is the primary catalyst for growth.**



























Who will capture this new addressable market?

WHY WE'RE GOING TO WIN

Attributes and capabilities of the different players within the TAM of tasks/agents

- a) accuracy and repeatability above 99.9% in most situations.
- b) permanent maximum levels of security, governance, and auditing.
- c) large-scale sector-specific expertise and data with a long history.
- d) focus and evolutionary capabilities to keep this management software and their AI agents structure up-to-date and state-of-the-art, perpetually.
- e) all of the above at a permanently competitive cost.

Players Attributes	Clients (DIY)	Startups	LLM's	Dominant Software Players
a) Accuracy and repeatability				
b) Security and governance				
c) Expertise and data access				
d) Evolutionary capabilities				
e) Cost competitiveness				
TOTAL				

Dominant players possess the **data**, both at the client and industry levels that are the fuel for **accuracy and repeatability**, especially through Artificial Specialized Intelligence, have **unquestionable experience in security, governance, and auditing**, total focus, combined with a proven **track record in evolutionary capability** and their combination of scale and specialization ensures good **cost-competitiveness**.

In Management, the **criticality** of these **solutions**, coupled with the **SMB profile** of the clients, results in a **slower adoption** pace.

Only 25% of "AI-native" ARR (equivalent to 0.2% of the total enterprise software market) comes from the **"end-use"** modality (agent consumption); the other 75% comes from the **"enabling"** modality (development of tooling for building agents).
This is exactly where the narrative is far ahead of the prevailing reality.

TOTVS STRENGTHS AS A TRUSTED ADVISOR

Differentiating factors that make us the most prepared company to lead AI applied to the SMB market

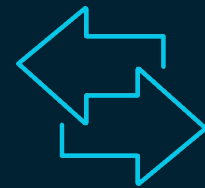
Breadth of Client Base and Distribution



Gigantic and diversified client base across different industry sectors, geographies, and company sizes;

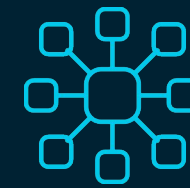
Distribution platform that combines the largest and best field sales in the market with a powerful inbound digital engine;

Process Expertise and Data Access



Expertise and access to back- and front-office data, built within each value chain of every economic sector and combined with data generated over more than 40 years, reflecting all internal processes of hundreds of thousands of companies;

Accuracy and Evolutionary Capability



Access to Data serves as fuel to create agents with the necessary accuracy and persistence;

Focus on the SMB market and expertise give us the capacity to keep management systems and their agents perpetually up-to-date and whole;

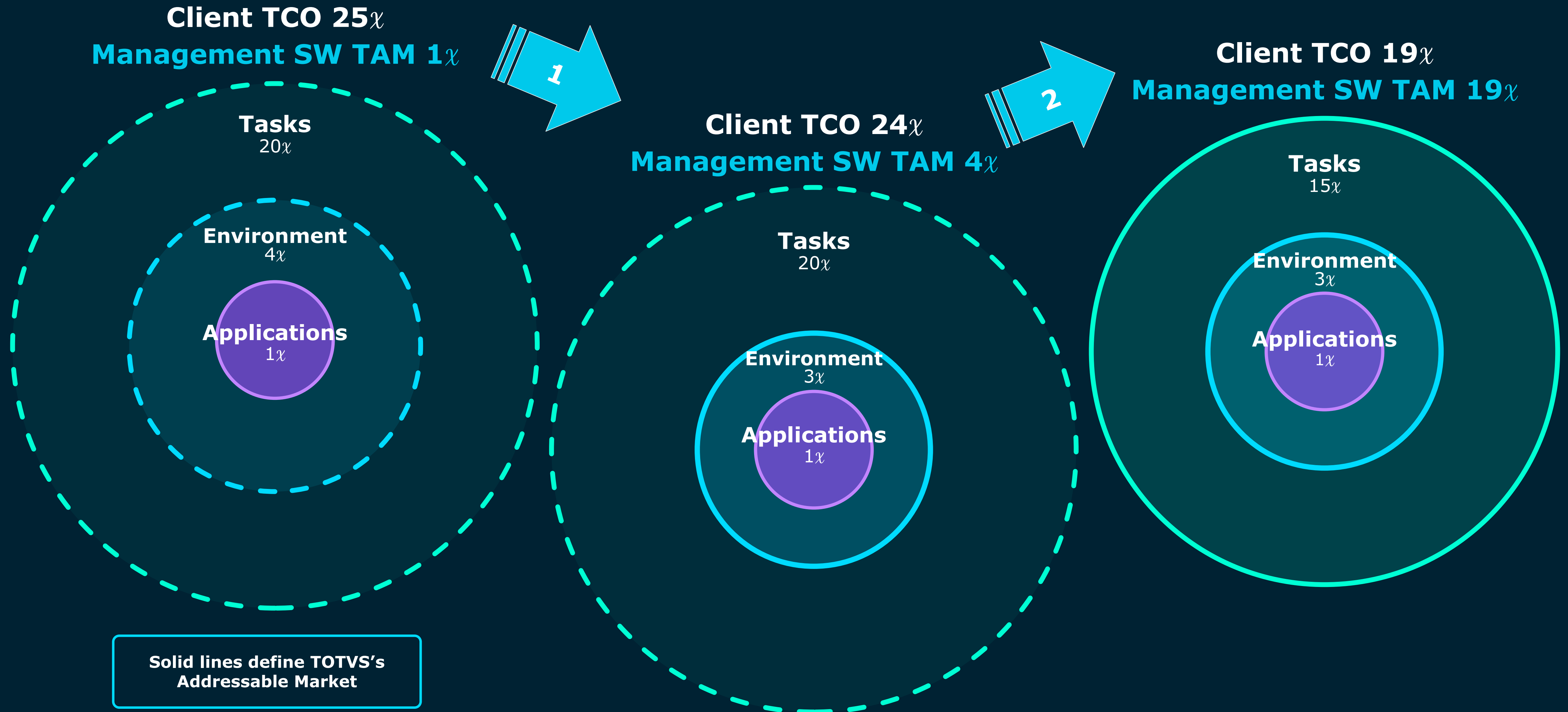
Security, Governance, and Competitive Cost



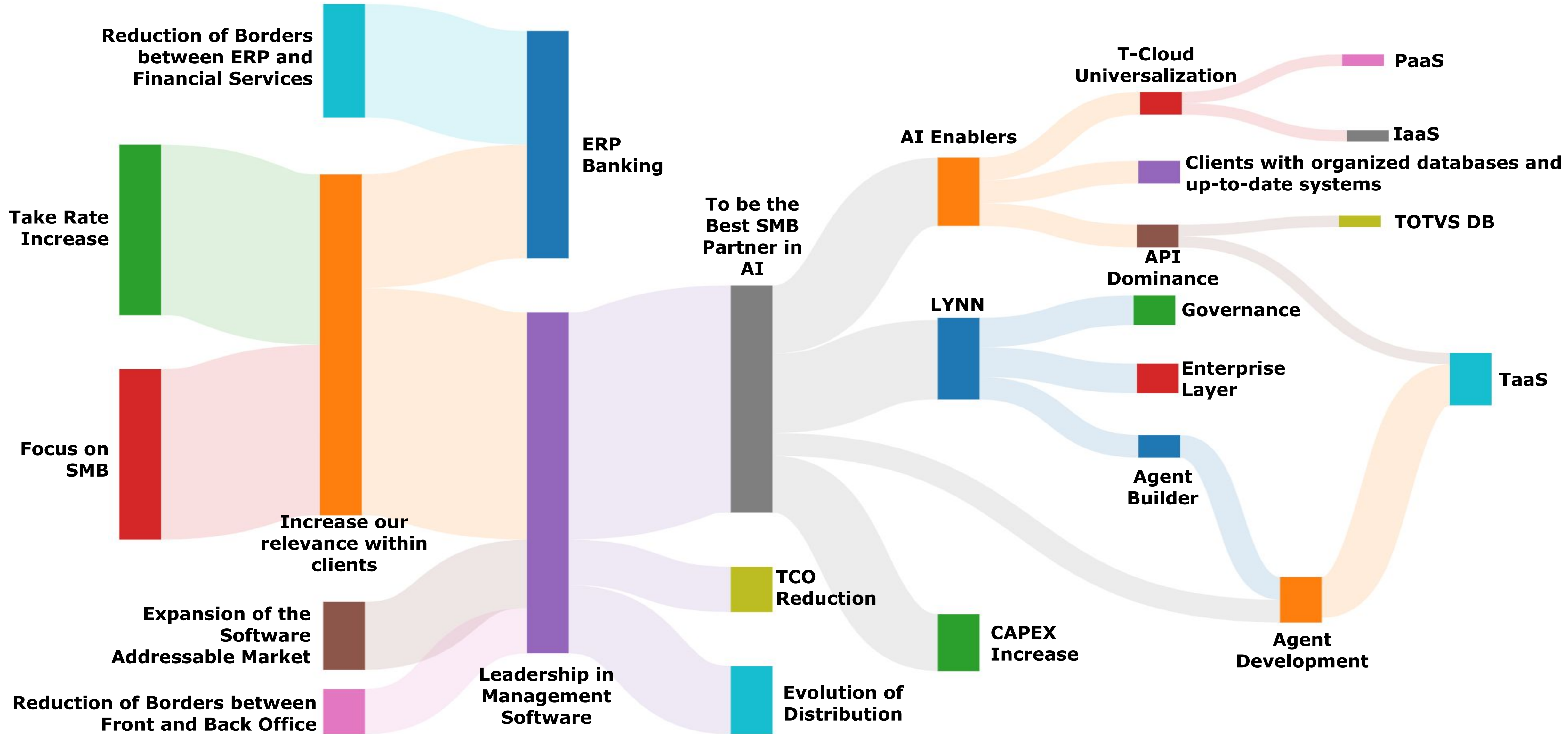
High level of Data Security and Governance already present in Management Systems and T-Cloud;

Agnostic agent construction and orchestration foundation allows for permanent and competitive cost control.

JOURNEY OF THE EXPANSION OF THE MANAGEMENT SOFTWARE TAM: FROM APPLICATION TO TASKS, VIA CLOUD



Map of Strategic Objectives Execution



Thanks



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