



EARNINGS VIDEO CONFERENCE 4Q24

» Investor Relations

Dennis Herszkowicz - CEO
Gilsomar Maia - CFO
Gustavo Bastos - Vice President of Platforms
Marcelo Eduardo - Vice President for Segments
Alexandre Apendino - Vice President for Services and Relationship
Gustavo Avelar - Vice President of RD Station Business Unit
Vivian Broge - Vice President of Human Relations and Marketing
Sergio Serio - IR Head

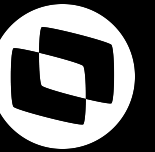
2025/February



LEGAL NOTICE

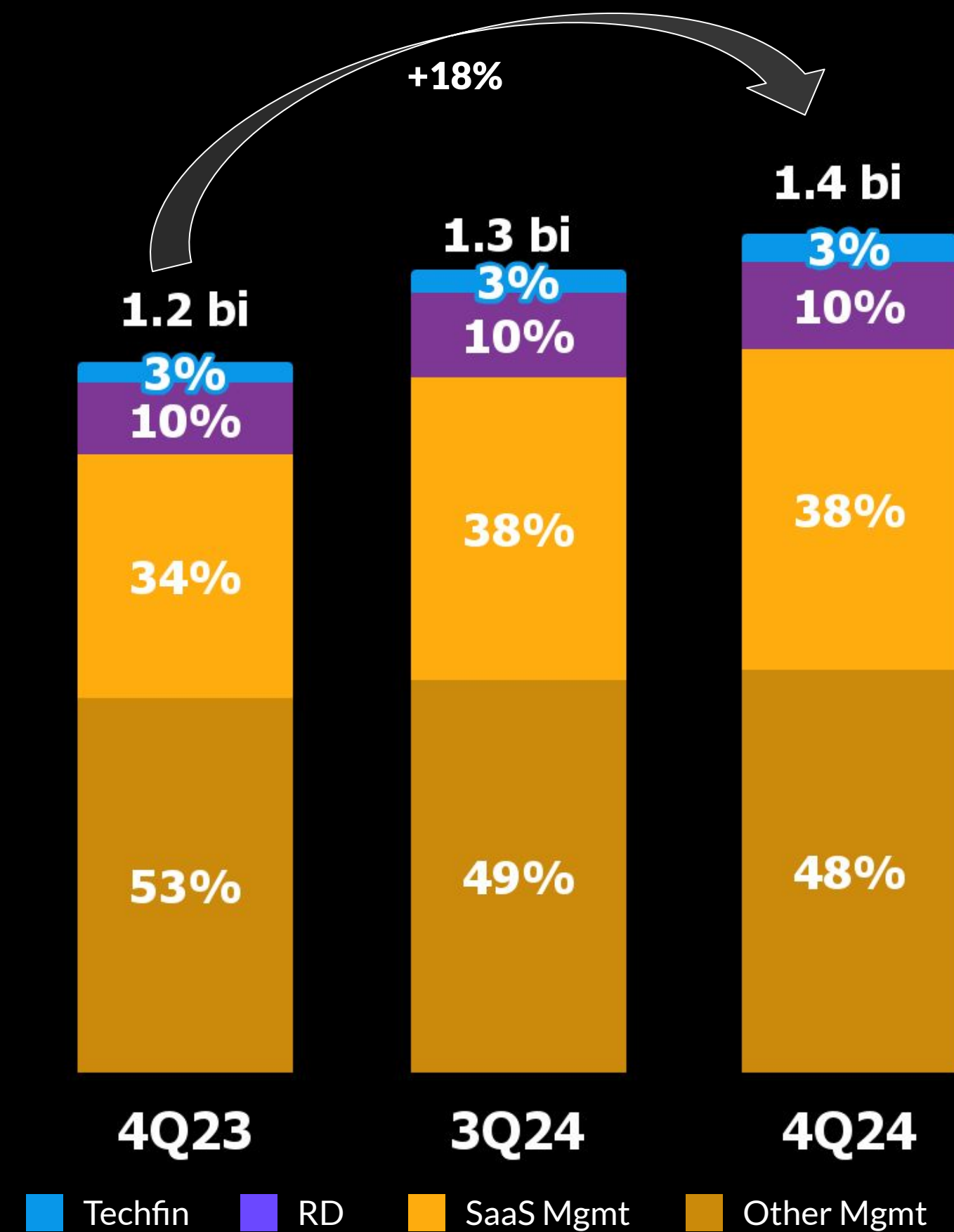
All information contained in this presentation and any statements that may be made during this video conference connected to TOTVS' business prospects, projections, and operating and financial goals are based on beliefs and assumptions of the Company's Management, as well as information currently available. Forward-looking statements are not any guarantee of 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 should understand that general economic conditions, industry conditions, and other operating factors may also affect the future results of TOTVS and may lead those results to differ materially from those mentioned in such forward-looking statements.

/// 4Q24 - CONSOLIDATED RESULTS (R\$million)

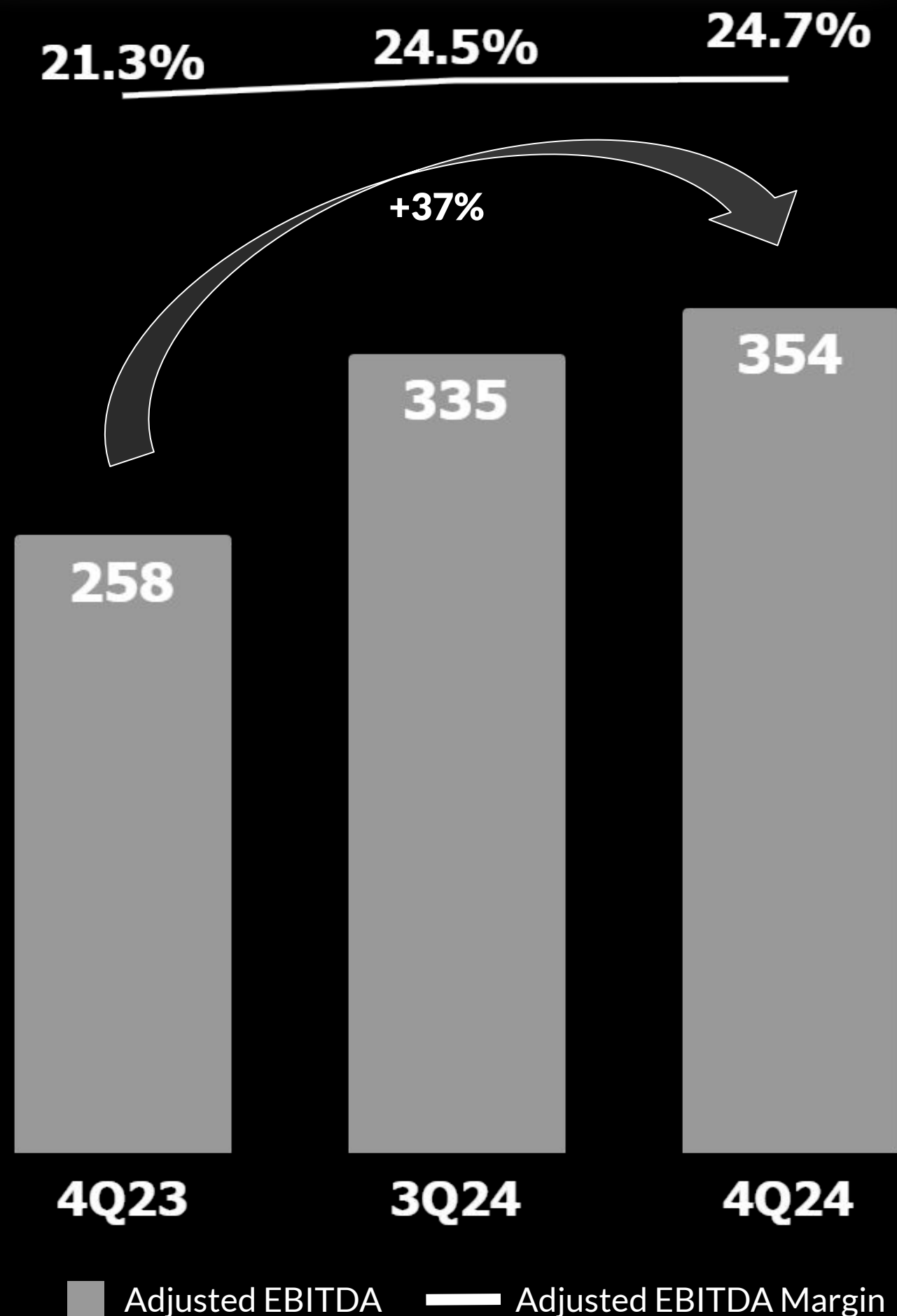


4Q24 consolidated the turnaround in TOTVS' profitability

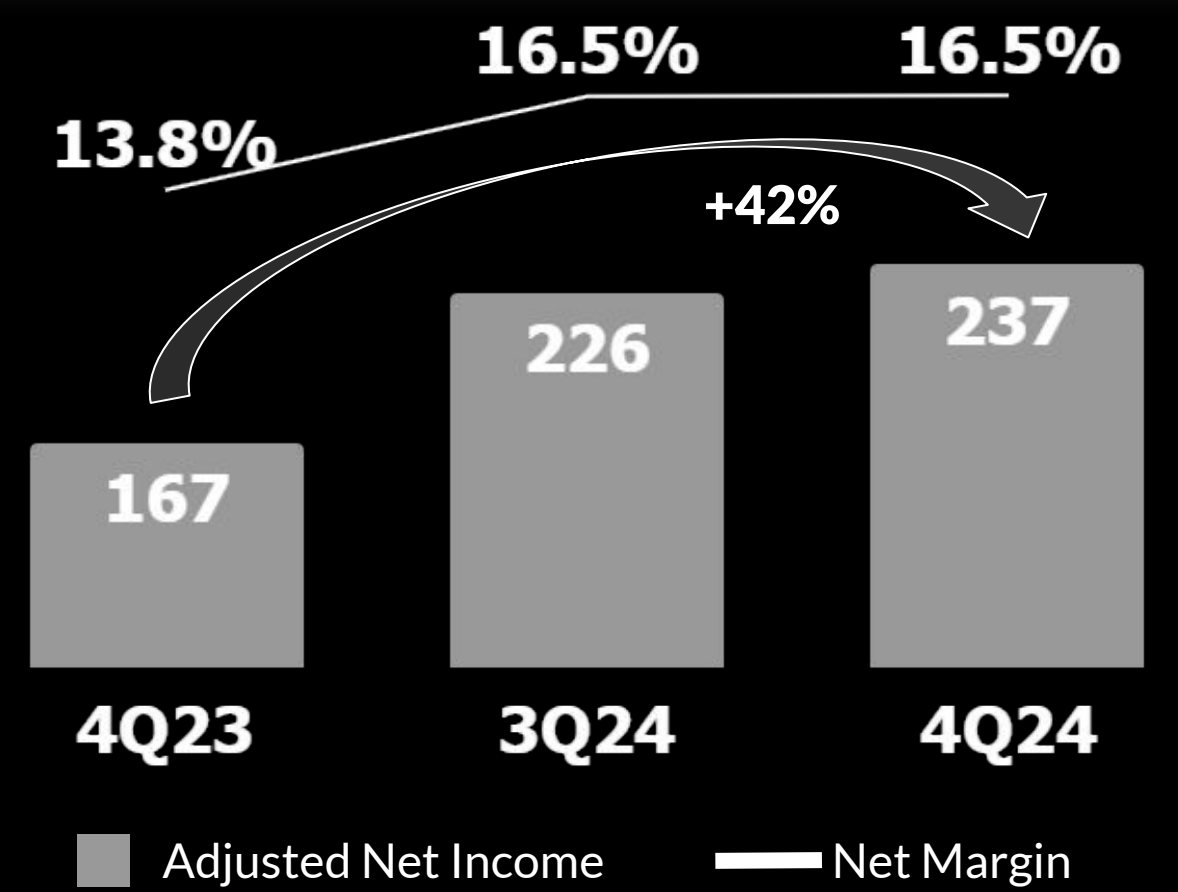
NET REVENUE ⁽¹⁾



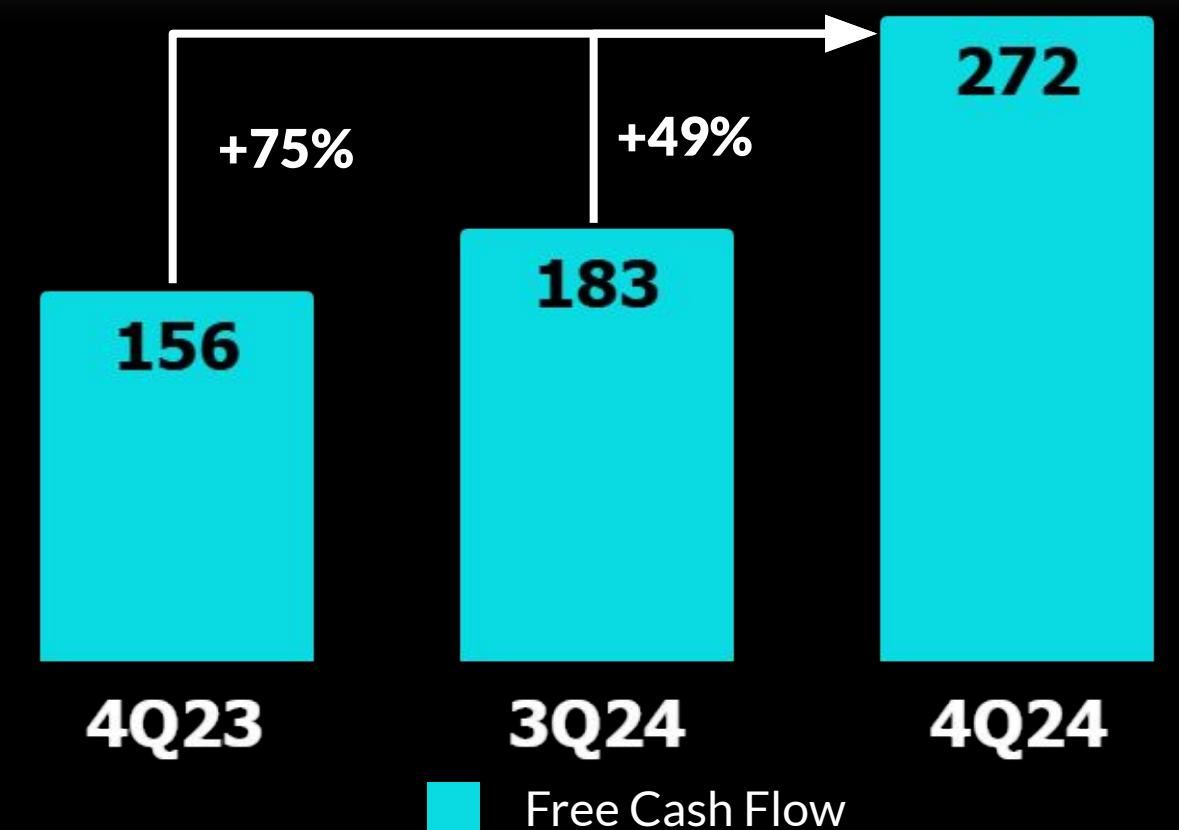
EBITDA ⁽²⁾



ADJUSTED NET INCOME



FREE CASH FLOW



(1) Considers Techfin Revenue Net Funding at 50%
 (2) EBITDA Adjusted for extraordinary items and added to 50% of Techfin's Adjusted EBITDA

21% growth in Recurring Revenue and 26% growth in Adjusted EBITDA, resulting in 190 basis points of year-over-year Margin expansion

ARR NET ADDITION

R\$172 million

RECURRING REVENUE

+R\$1.1 bi (+21% vs 4Q23)

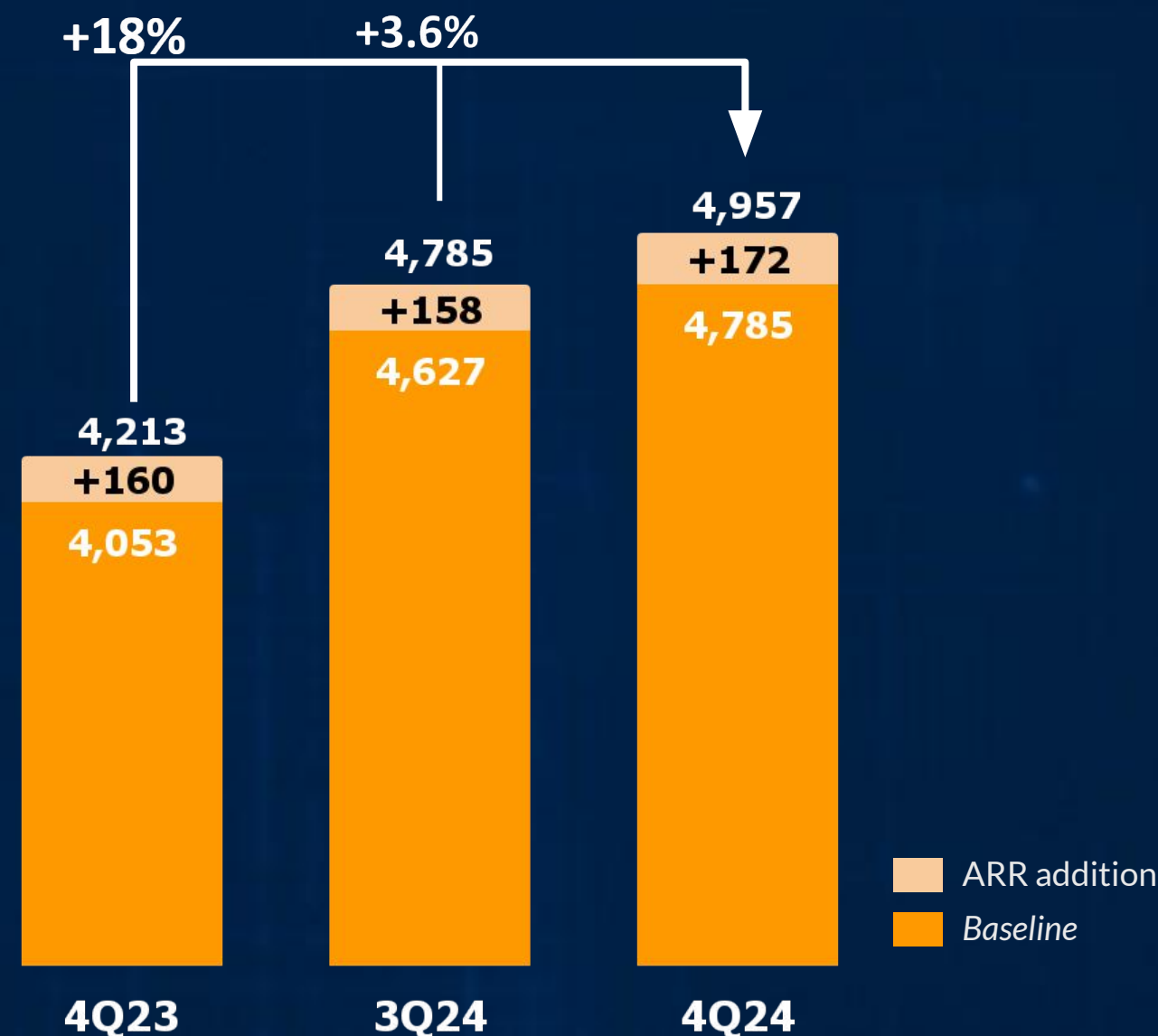
RETENTION RATE

4Q24	3Q24	4Q24
97.5%	98.6%	98.9%

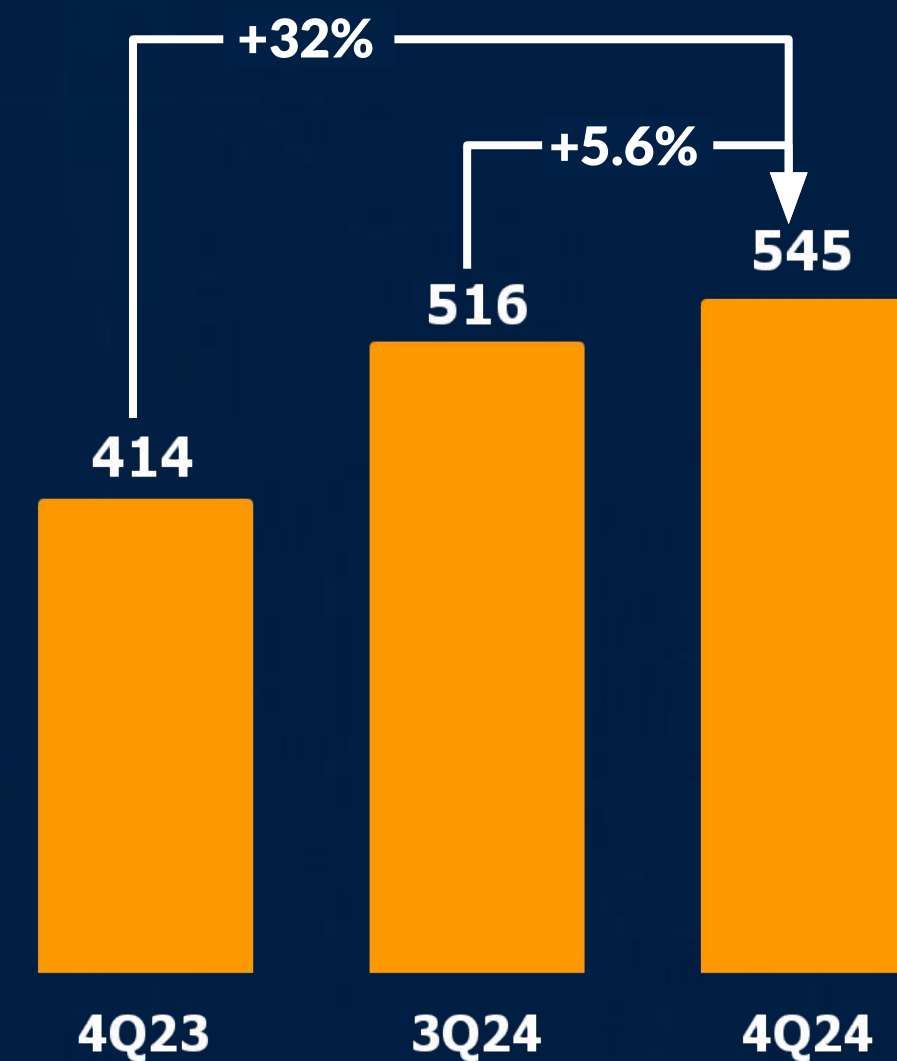
% Recurring Revenue: 89%

Cloud Revenue: +32% vs. 4Q23

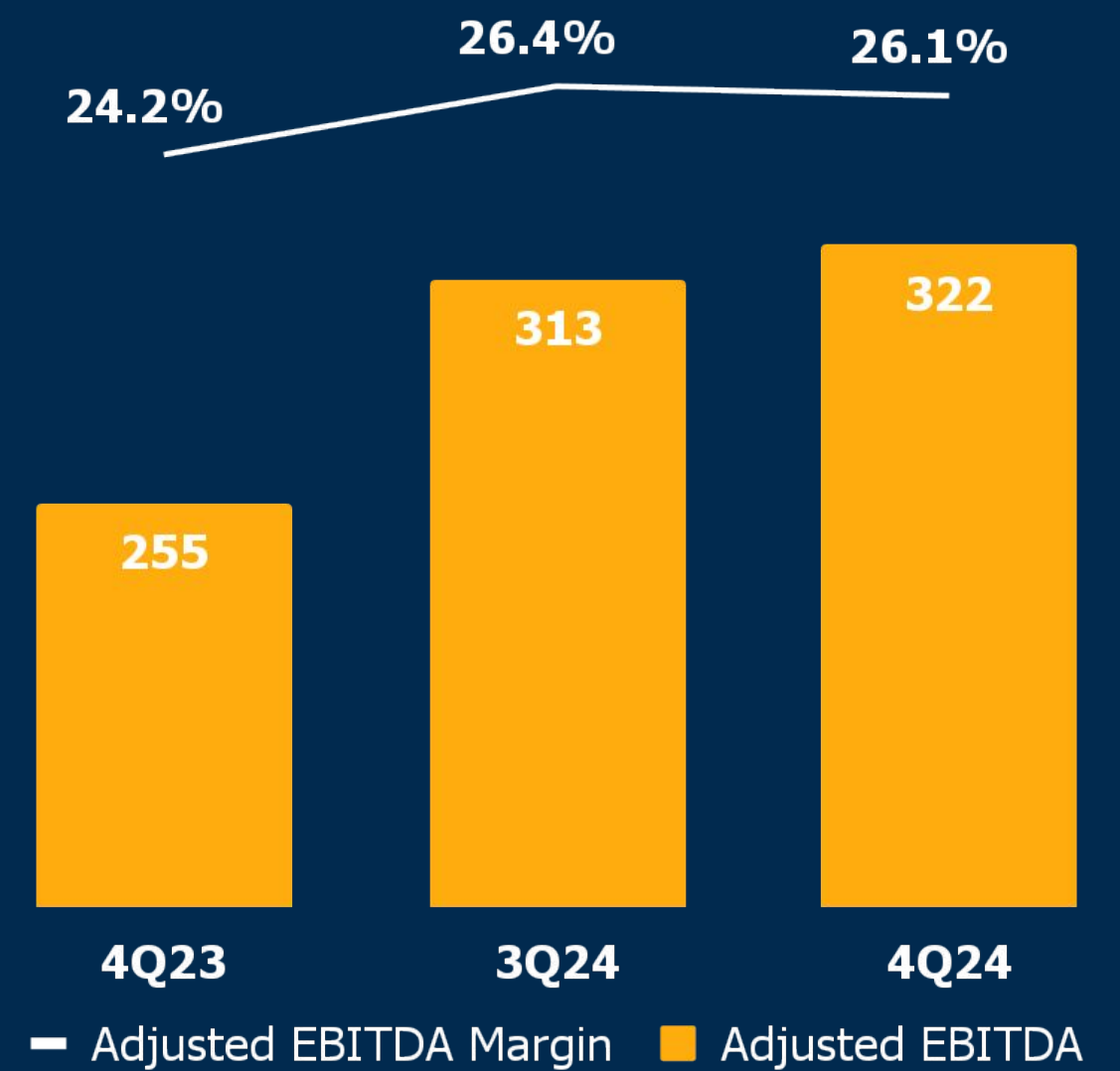
ARR (R\$ million)



SaaS (R\$ million)



Adjusted EBITDA (R\$ million)

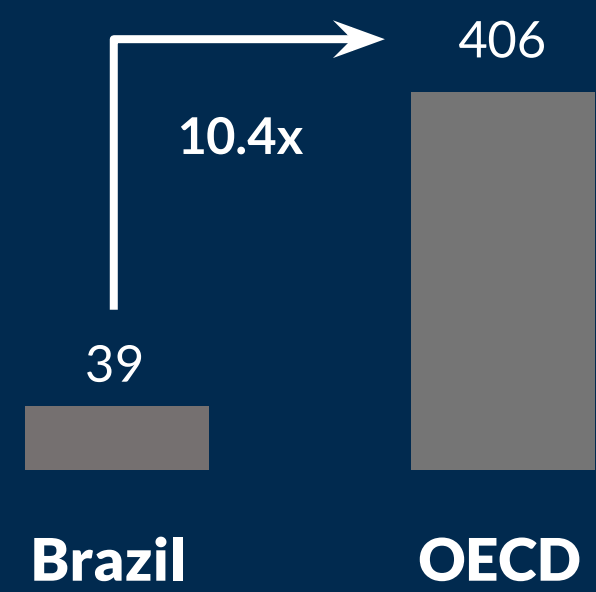


- Driven by the sequential increase in recurring revenue, the convergence of the IGP-M to the IPCA and the progress in the integration of recent acquisitions, which initially reduced the average Management margin. The Management Adjusted EBITDA in 4Q24 showed new evolution in profitability this quarter.

MARKET :

Low digitization, but with high growth

Mgmt Software Expenditure / Employee (USD) 2023⁽¹⁾



CAGR 2013-23

Nominal GDP	6.4%	2x
Management Market	13.2%	+1.7 bp
TOTVS Revenue	14.9%	

RELEVANCE :

Broad Portfolio for a diversified addressable market

Focus on SMB customers from 12 segments with different maturity levels

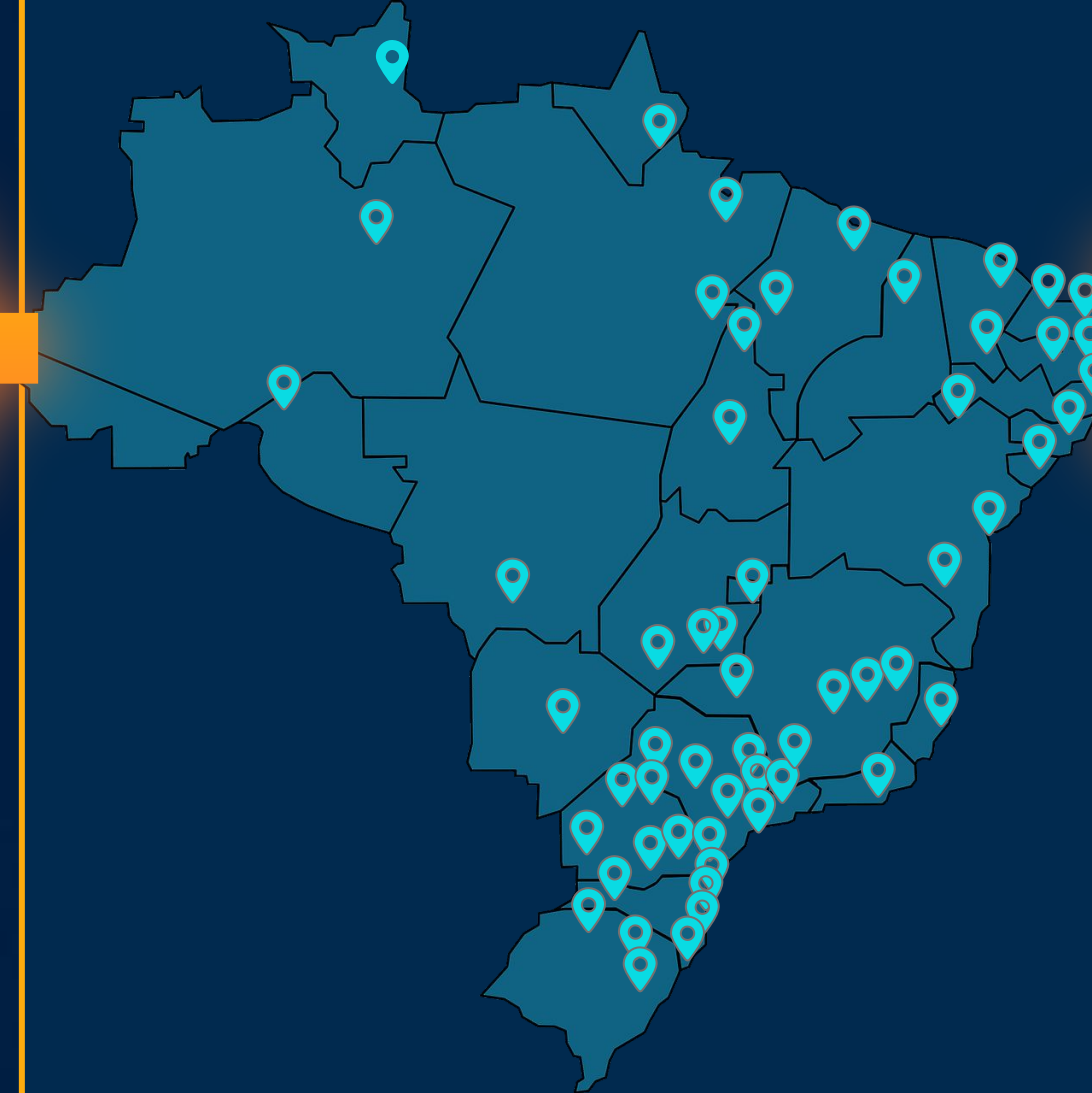


AI and Data

PRESENCE:

Distribution and Delivery Model difficult to be replicated

Combination of Digital + Physical Sales Channels



With an ever-increasing presence

23 QUARTERS of double-digit growth

Cohort with incalculable LTV

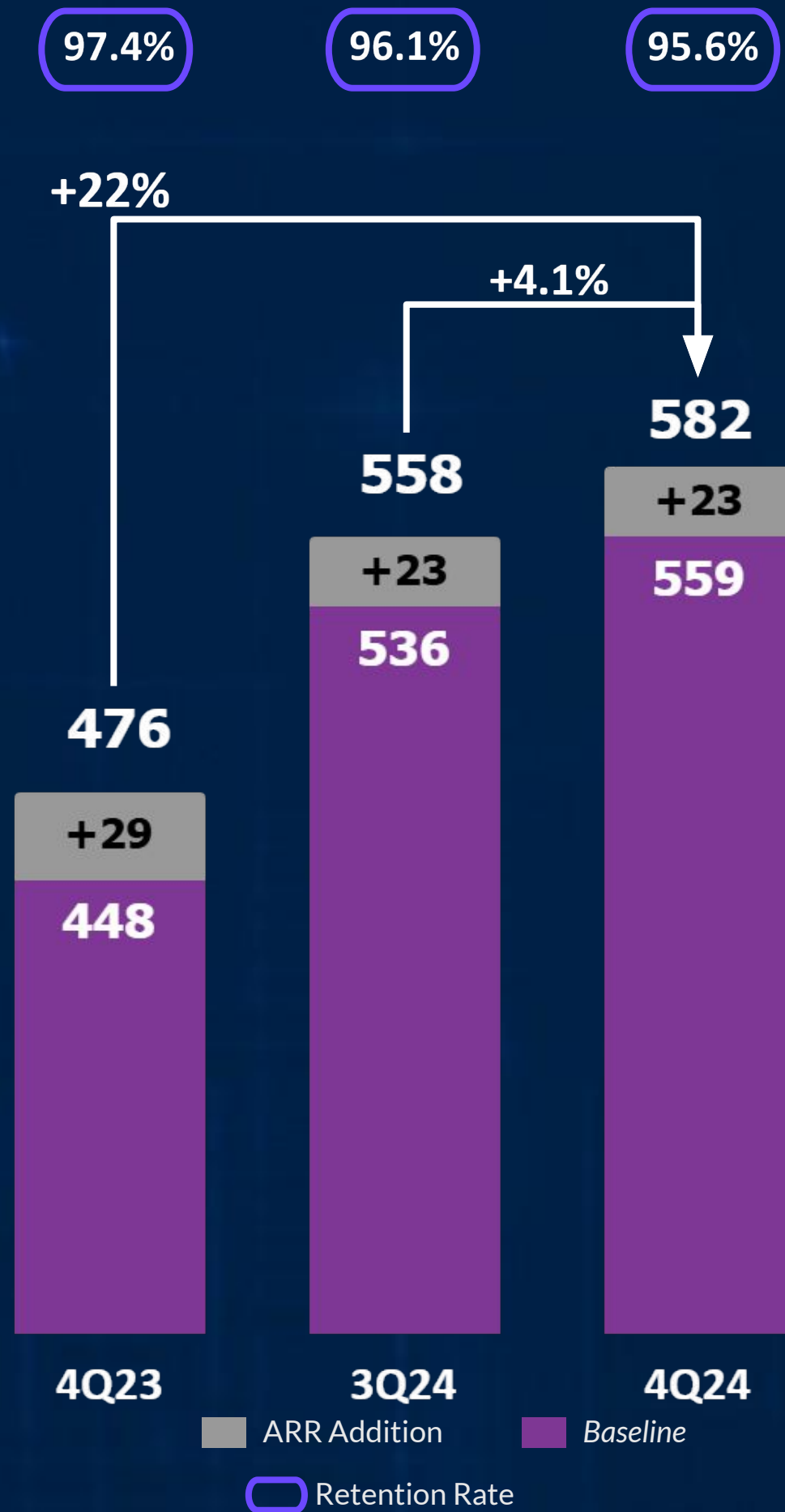


● Cohort until 2018 ● 2021 Cohort
● 2019 Cohort ● 2022 Cohort
● 2020 Cohort ● 2023 Cohort

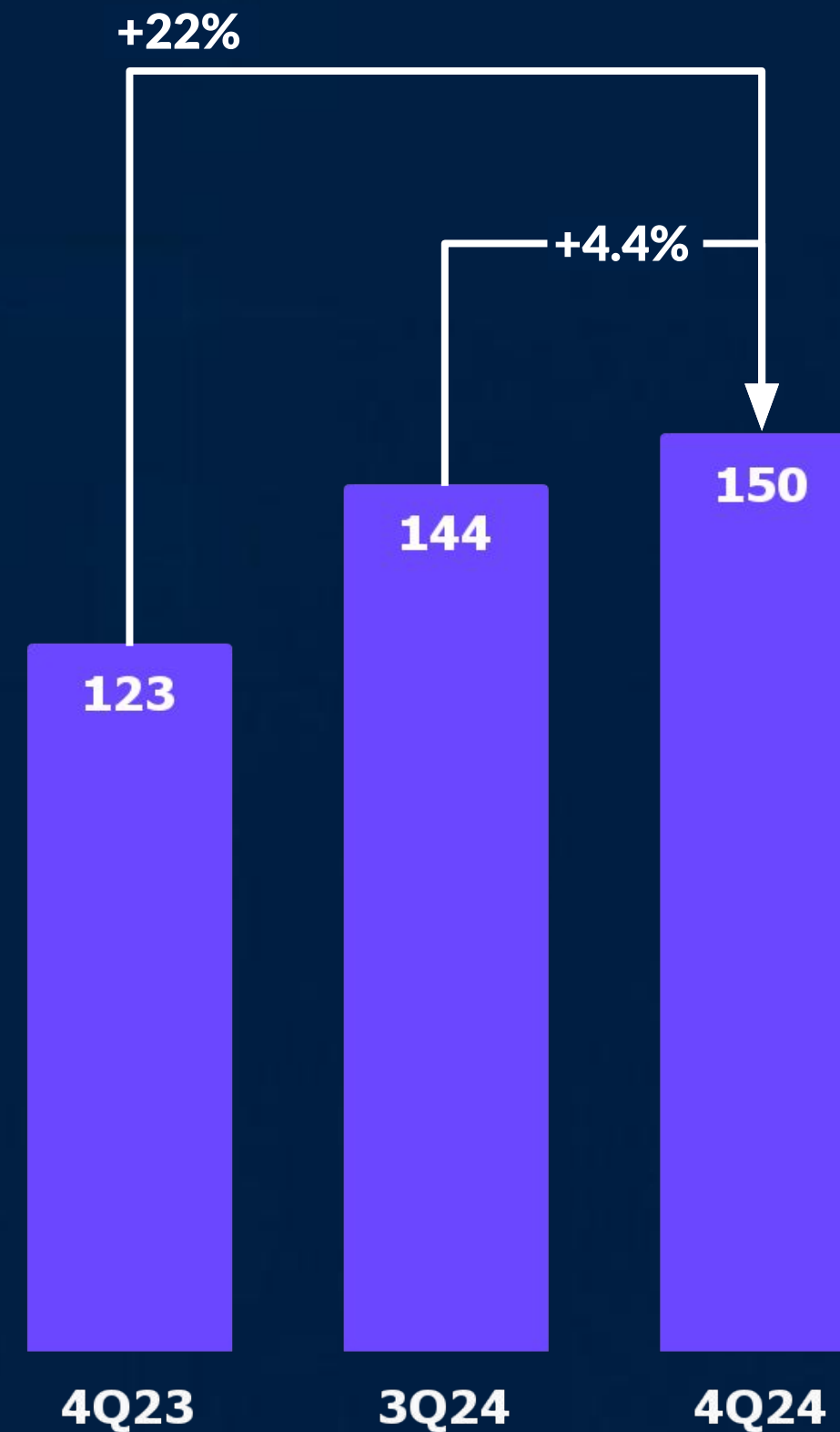
⁽¹⁾ Source: World Bank, OECD, TOTVS

Revenue growth with unit economics that resulted in a **double-digit margin** and 4Q24 EBITDA higher than full year 2023

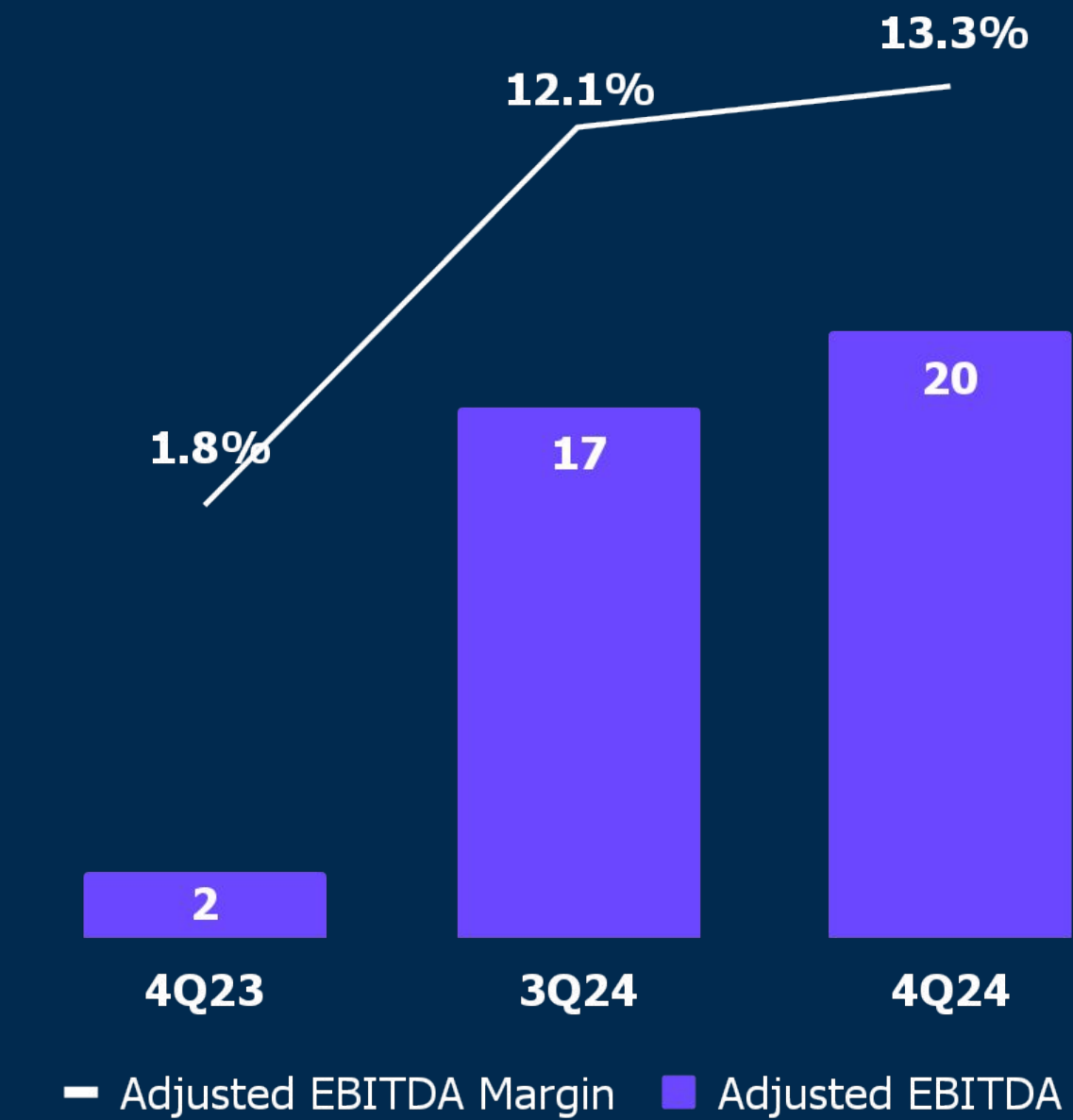
ARR (R\$ million) and RETENTION RATE



NET REVENUE (R\$ million)



Adjusted EBITDA (R\$ million)



- The 4Q24 Result demonstrates the ability to dilute expenses and the quality of the unit economics of this business unit.

RD Station

Before TOTVS



Single Sales Channel > Inbound



Single-Product



ICP (Ideal Customer Profile) focused on smaller customers



RD + MANAGEMENT

Sales Team and Product Integration



Multi-Channel Sales → RD Inbound + TOTVS Field Sales



Multi-Product within RD business unit



Multi-Client ICP increasingly diversified

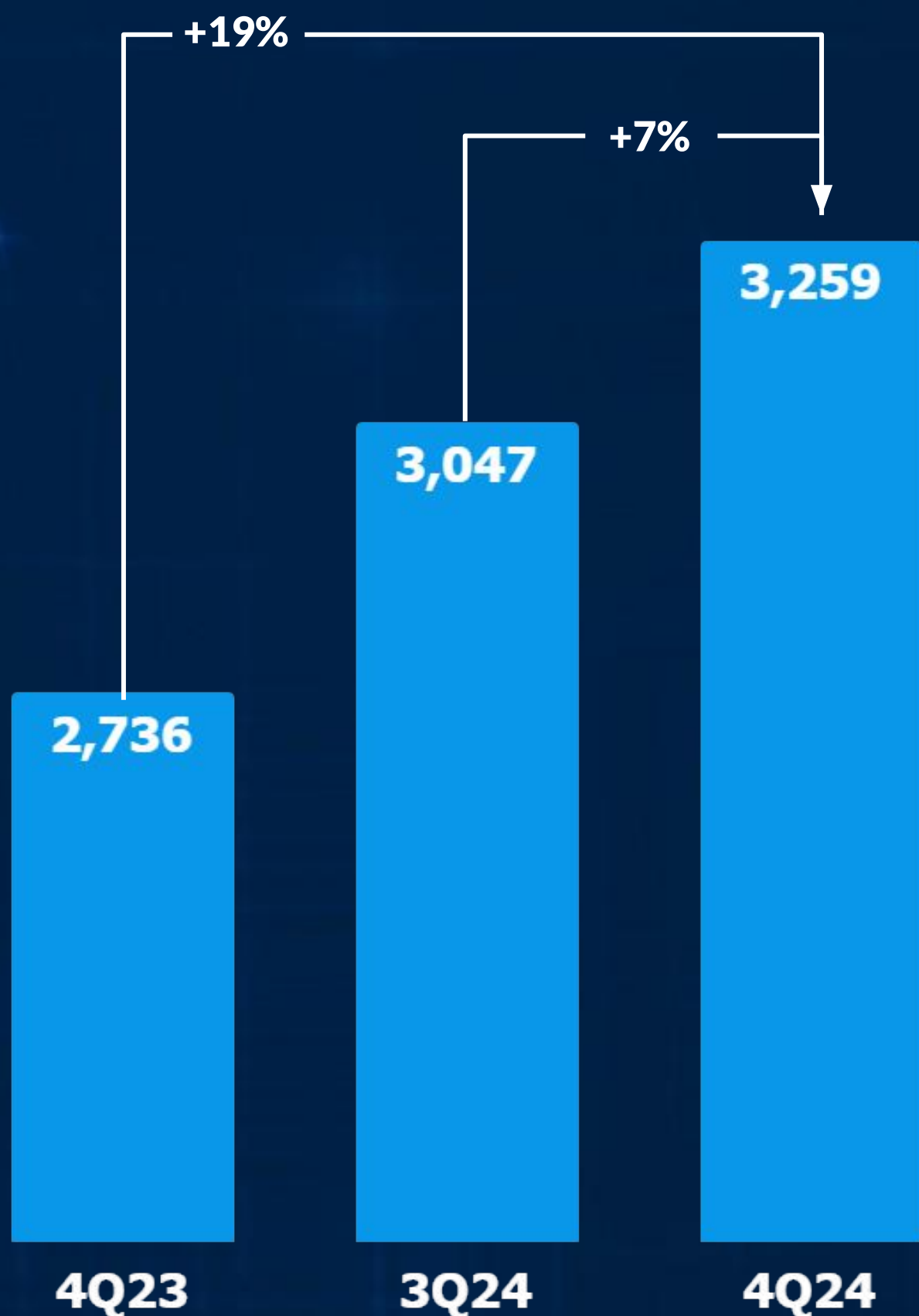


Multi-Product RD + Management

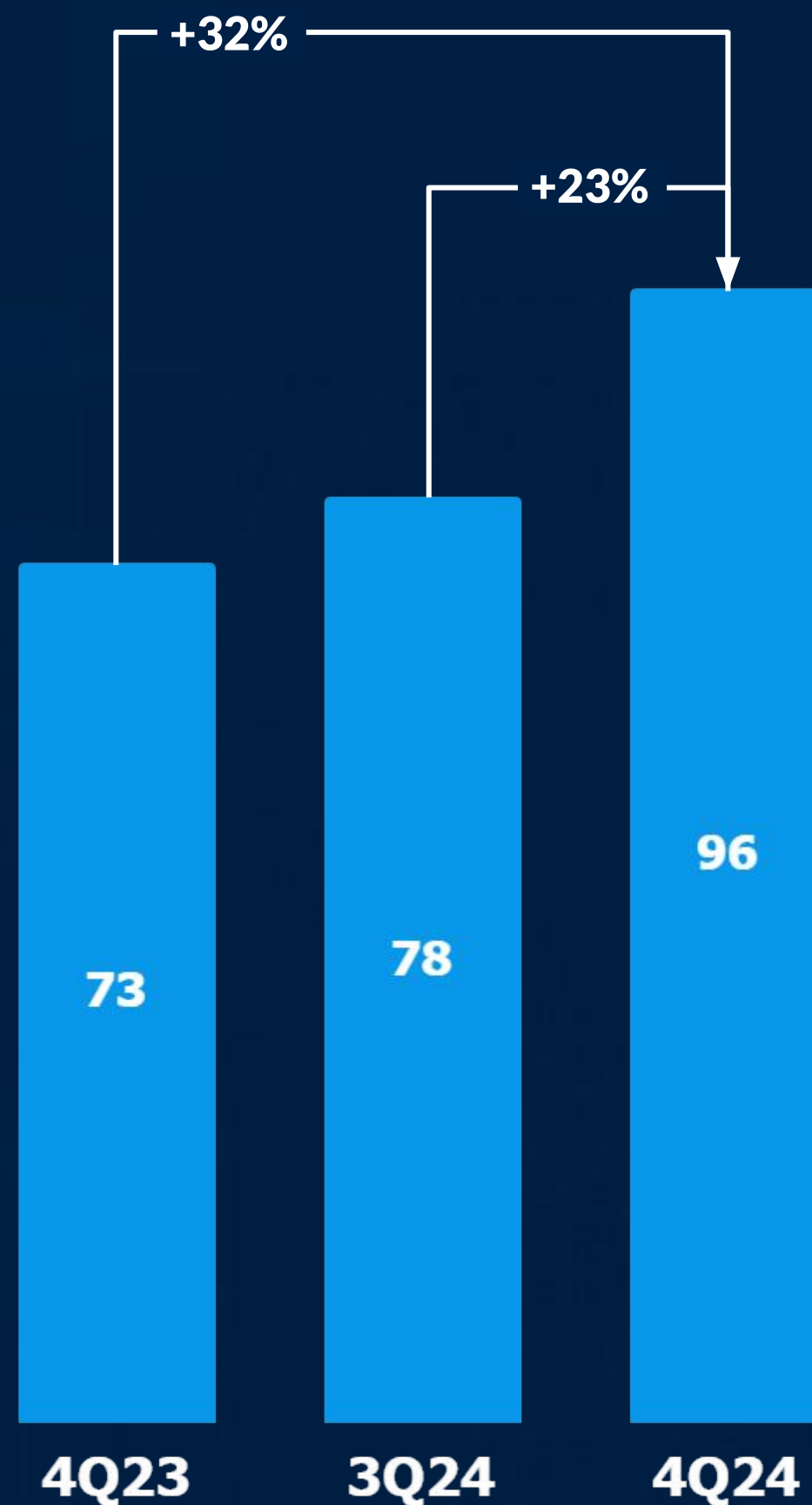
Accelerate the integrated product journey with TOTVS

4Q24 EBITDA reinforces the view that **Techfin** has already crossed the inflection point of the profitability “J” curve

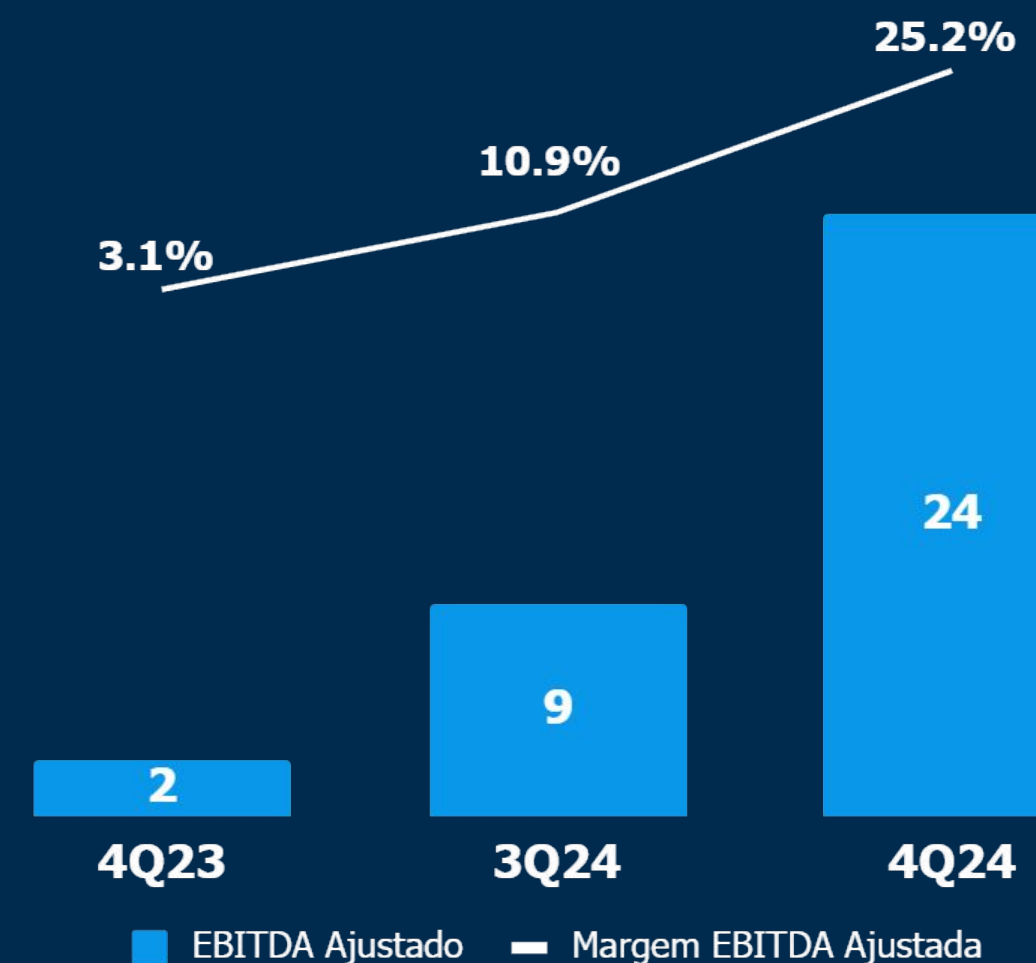
Credit Production (R\$ million)



Revenue Net of Funding (R\$ million)



Adjusted EBITDA (R\$ million)



- Techfin's Adjusted EBITDA nearly tripled compared to 3Q24, driven mainly by the growth in Revenue Net of Funding in the period, with the Adjusted EBITDA Margin showing a strong expansion versus 3Q24.

Ethical and Responsible Governance

FitchRatings

Reaffirmation of AA+(bra) rating

MSCI



Leadership in risk and opportunity management, with an AA score

ISS



Score 1, lowest risk level

People

Great Place To Work®
Certificada 2024 BRASIL

National Ranking
18th place among the 175 best large companies

IGPTWB3

IDIVERSA B3

ICO2 B3

Reputation and Image

KANTAR

Among the 50 most valuable brands in Brazil

Prêmio VALOR 10 ANOS INOVAÇÃO Brasil 2024

Among the 150 most innovative companies

thedotgood.

Among the 200 best social organizations in the world



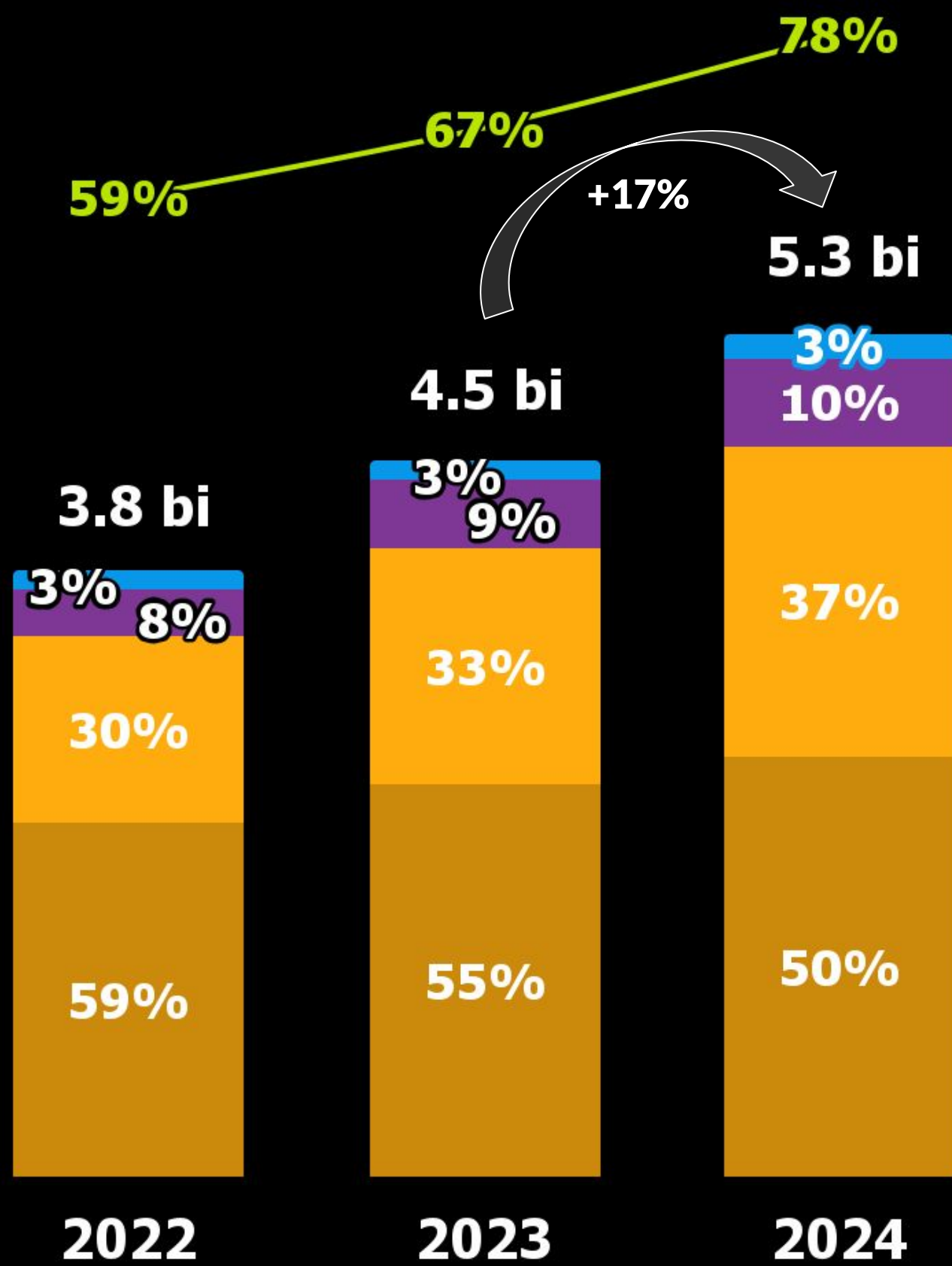
IOS

INSTITUTO DA OPORTUNIDADE SOCIAL

2024 - FINAL REMARKS

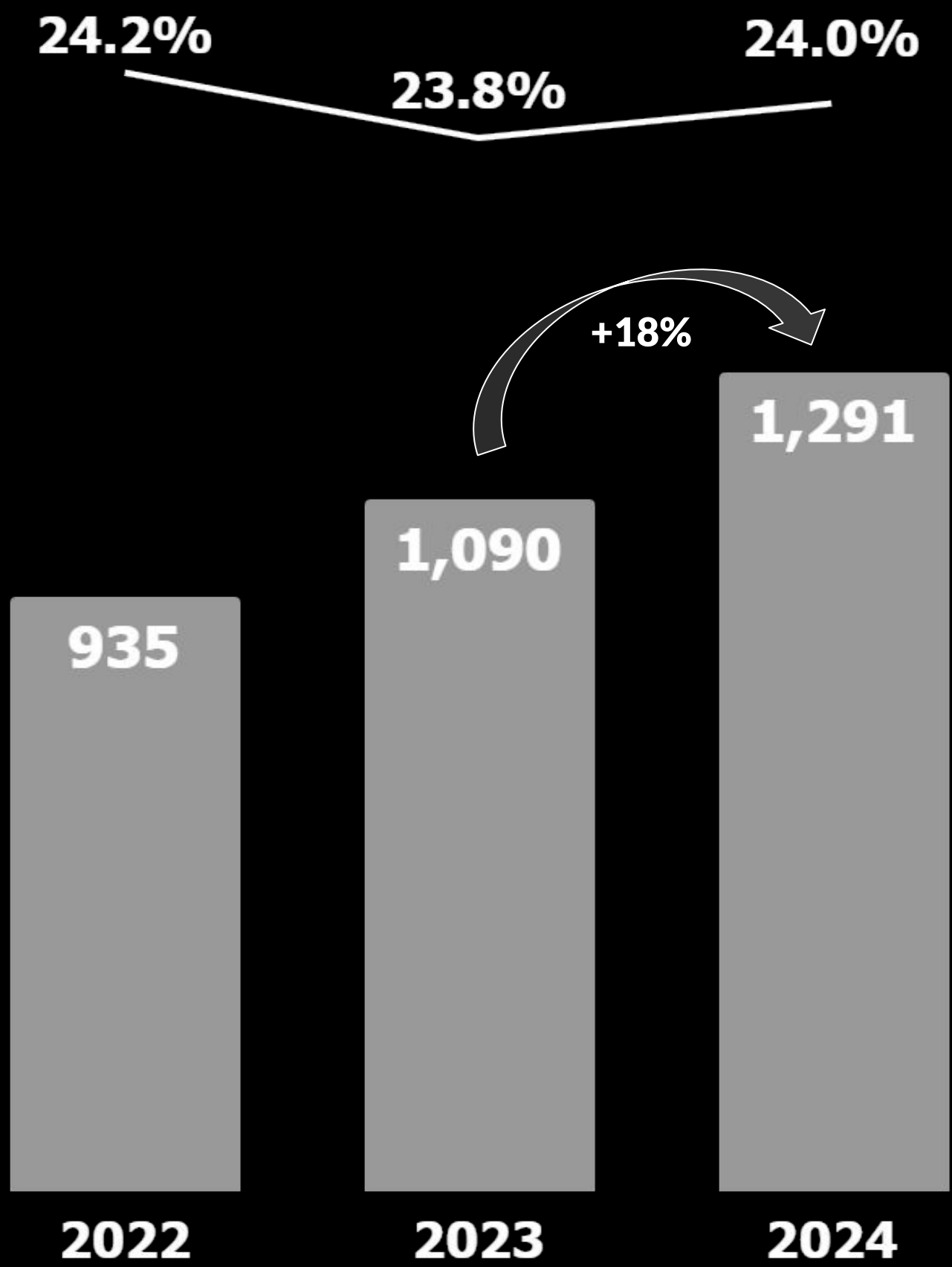
2024 year consolidated a turnaround in the Company's profitability

NET REVENUE ⁽¹⁾



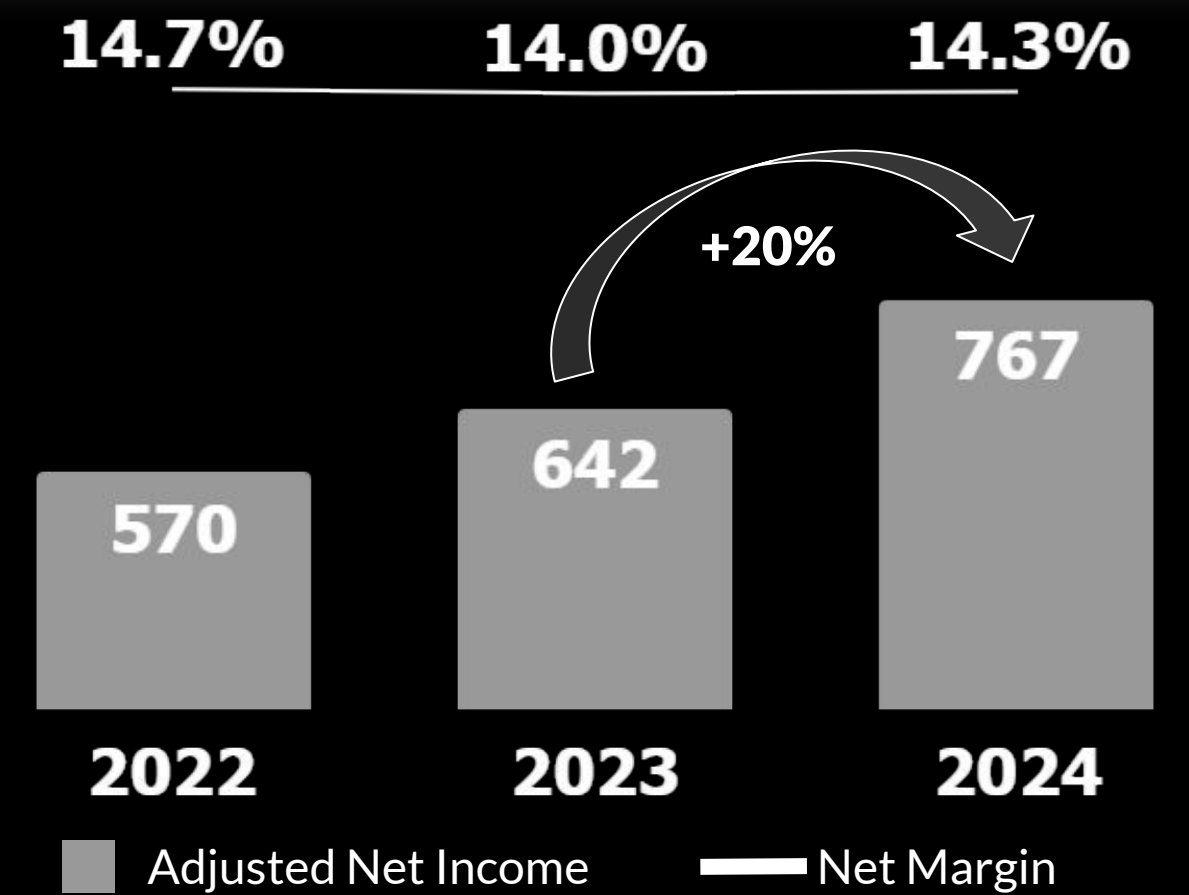
■ Techfin
 ■ SaaS Mgmt
 — Participation in Absolute Growth
■ Other Mgmt
 ■ RD
 — SaaS Mgmt+RD+Techfin

EBITDA ⁽²⁾



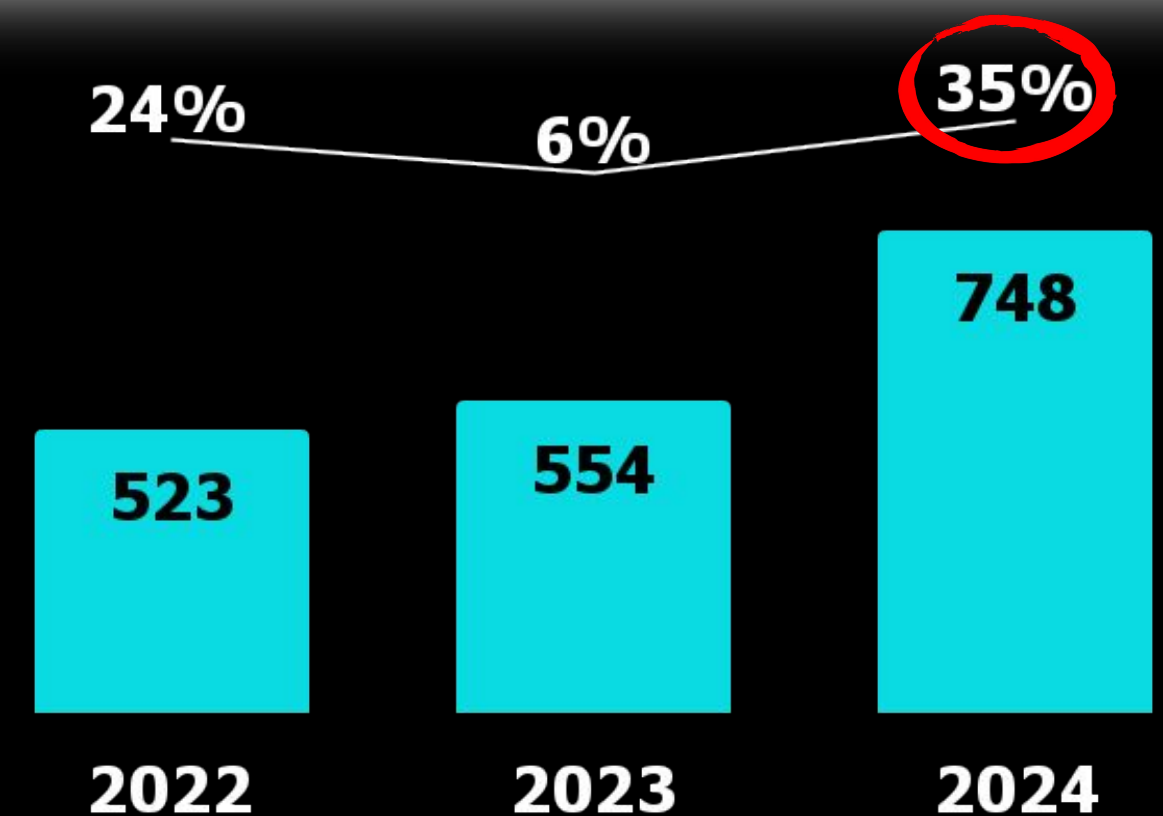
■ Adjusted EBITDA
 — Adjusted EBITDA Margin

ADJUSTED NET INCOME



■ Adjusted Net Income
 — Net Margin

FREE CASH FLOW

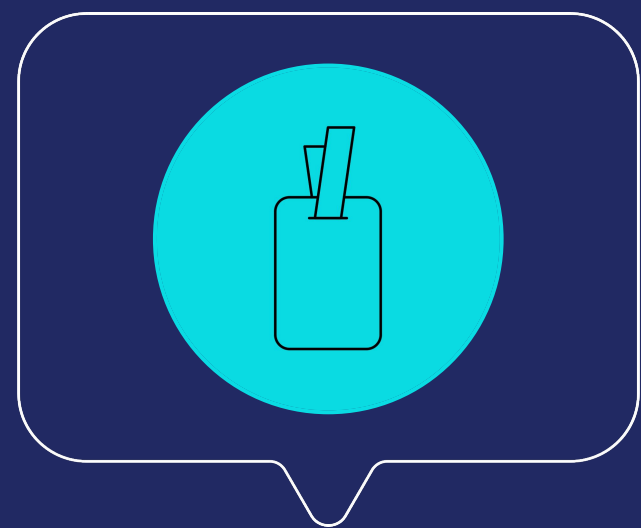


■ Free Cash Flow
 — YoY growth

(1) Considers Techfin Revenue Net Funding at 50%

(2) EBITDA Adjusted for extraordinary items and added to 50% of Techfin's Adjusted EBITDA

THANKS



Investors Relations

+55 (11) 99585-7887

ri@totvs.com



totvs.com



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



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



[/totvs](https://discord.com/invite/totvs)



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



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



totvs.store

O Brasil

que

faz

faz

com

 **TOTVS**