



# EARNINGS VIDEO CONFERENCE 3Q24

» Investor Relations

Dennis Herszkowicz - CEO  
Gilsomar Maia - CFO  
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◀ 2024/November

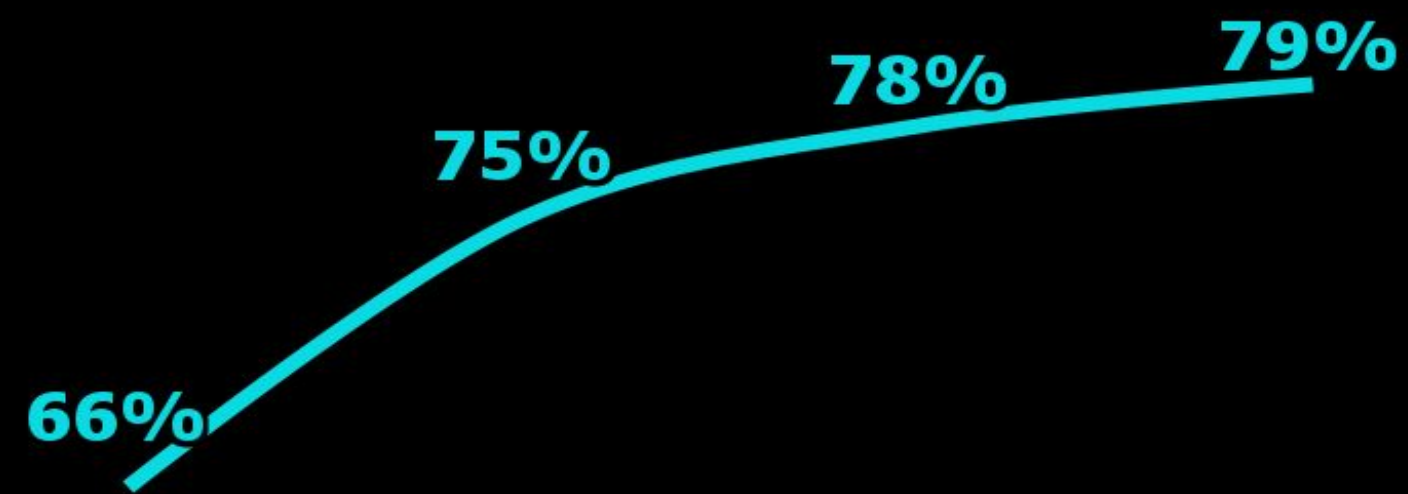


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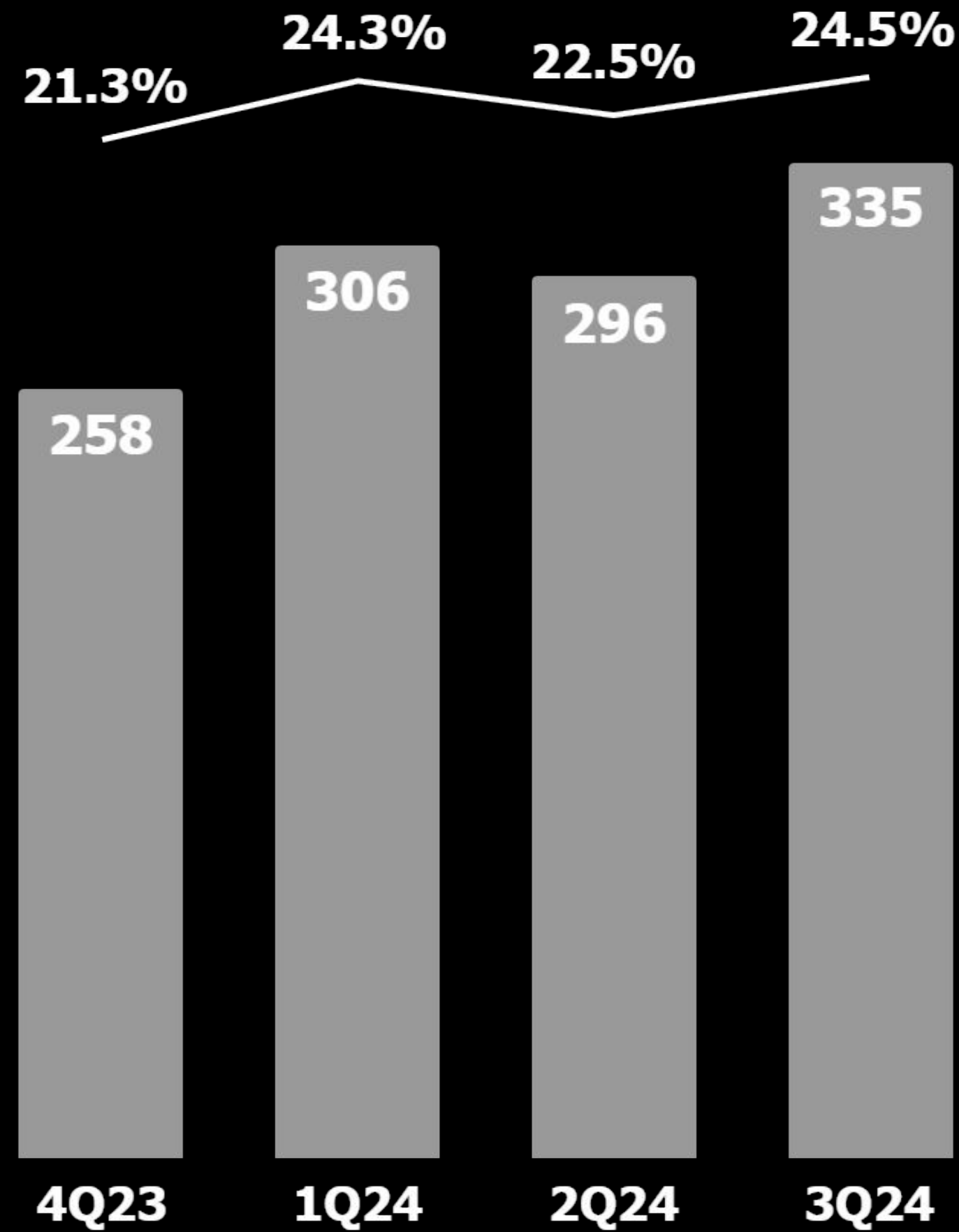
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# 3Q24 - CONSOLIDATED RESULTS (R\$million)

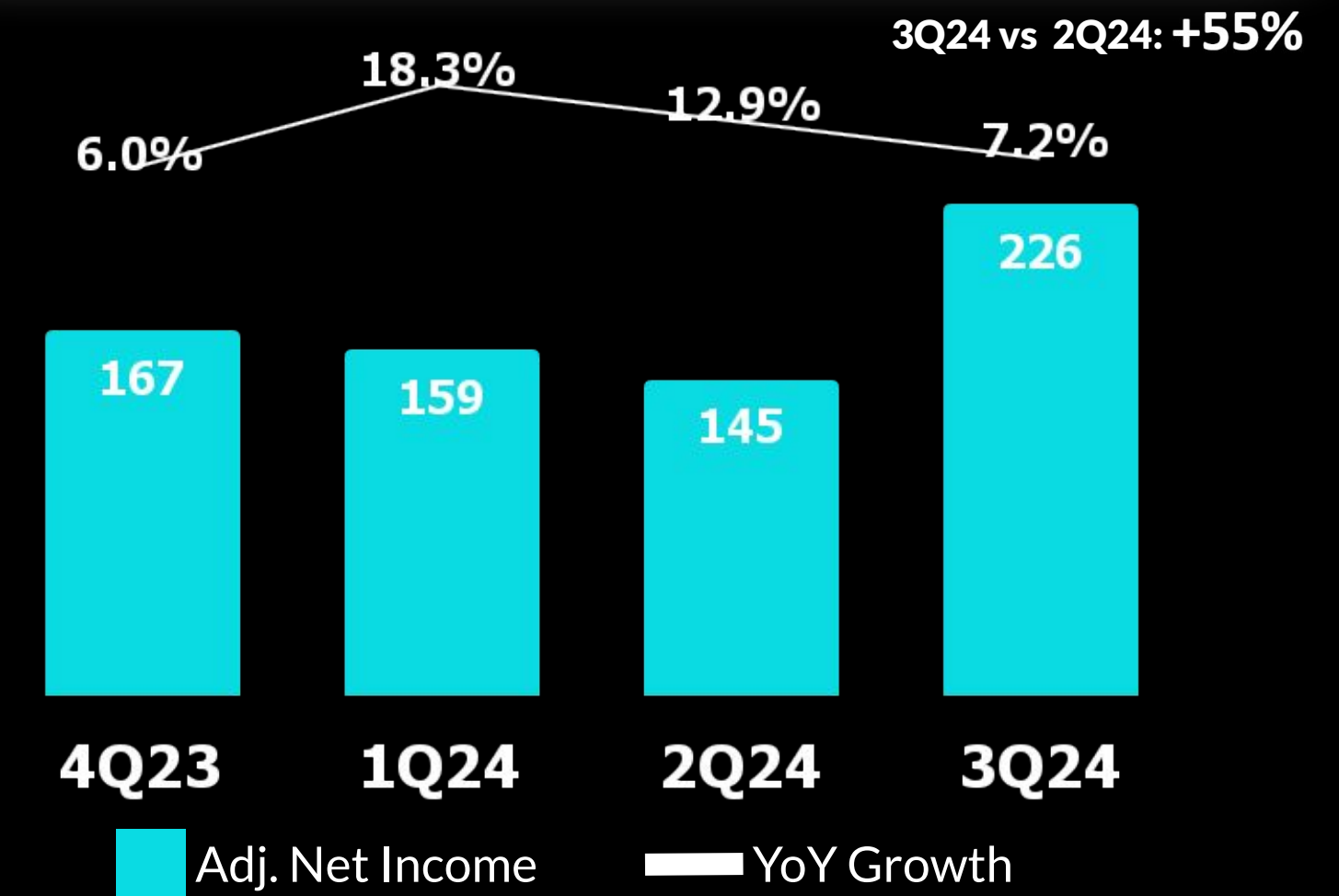
## Management SaaS + Business Performance + Techfin <sup>(1)</sup>



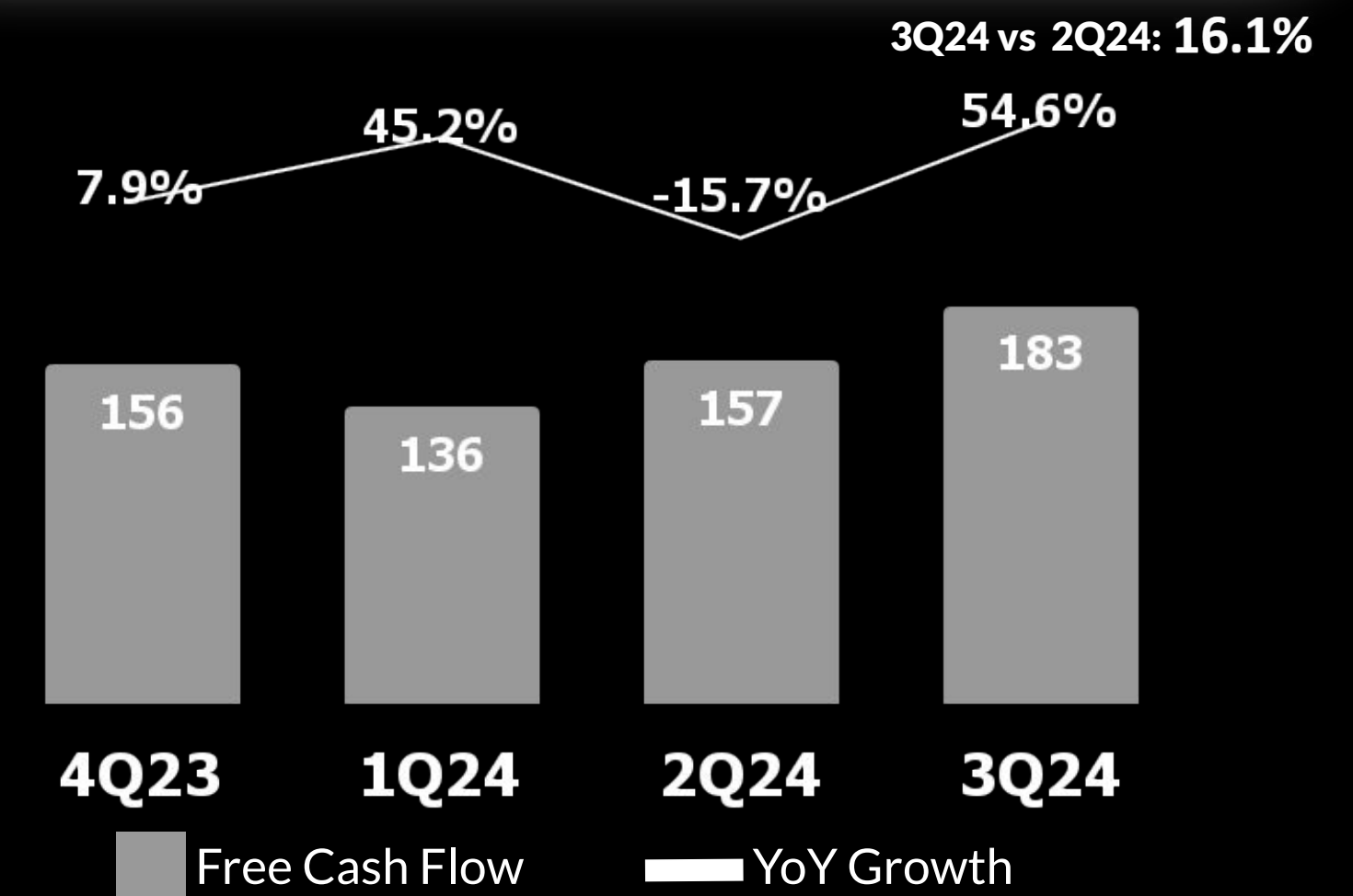
## EBITDA <sup>(2)</sup>



## NET INCOME



## FREE CASH FLOW



■ Participation in nominal YoY Revenue growth  
■ Share in Consolidated Net Revenue

■ Adjusted EBITDA  
— Adjusted EBITDA Margin

■ Free Cash Flow  
— YoY Growth

<sup>(1)</sup> Considers Techfin Revenue at 50%, net of funding cost  
<sup>(2)</sup> Adjusted EBITDA, excluding extraordinary items, plus 50% of Techfin Adjusted EBITDA

Recurring Revenue growth of 20% vs 3Q23, driven by growth in SaaS Revenue, which maintained its growth level above 30% year-over-year

## RECURRING REVENUE

+R\$ 1.1 bi (+20% vs 3Q23)

% Recurring Revenue: **89%**

Cloud Revenue: **+32%** vs. 3Q23

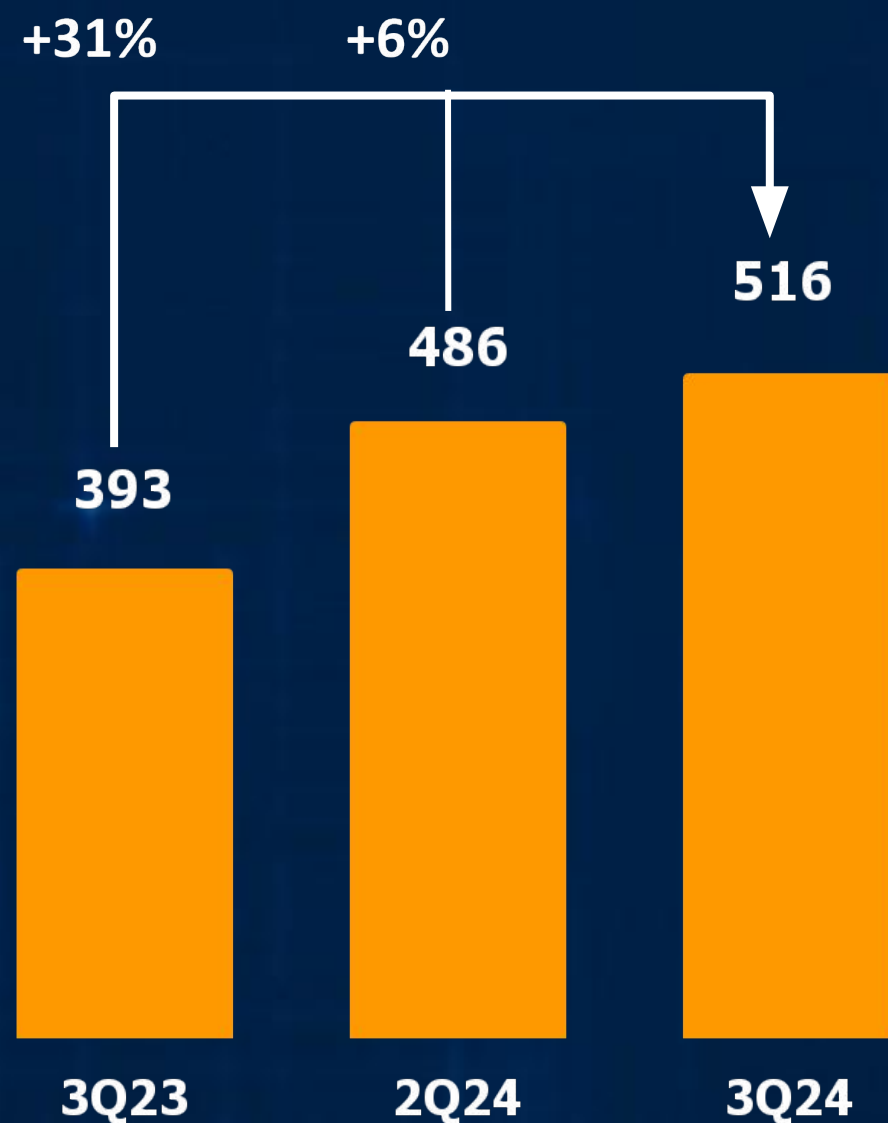
## ARR NET ADDITION

R\$158 million

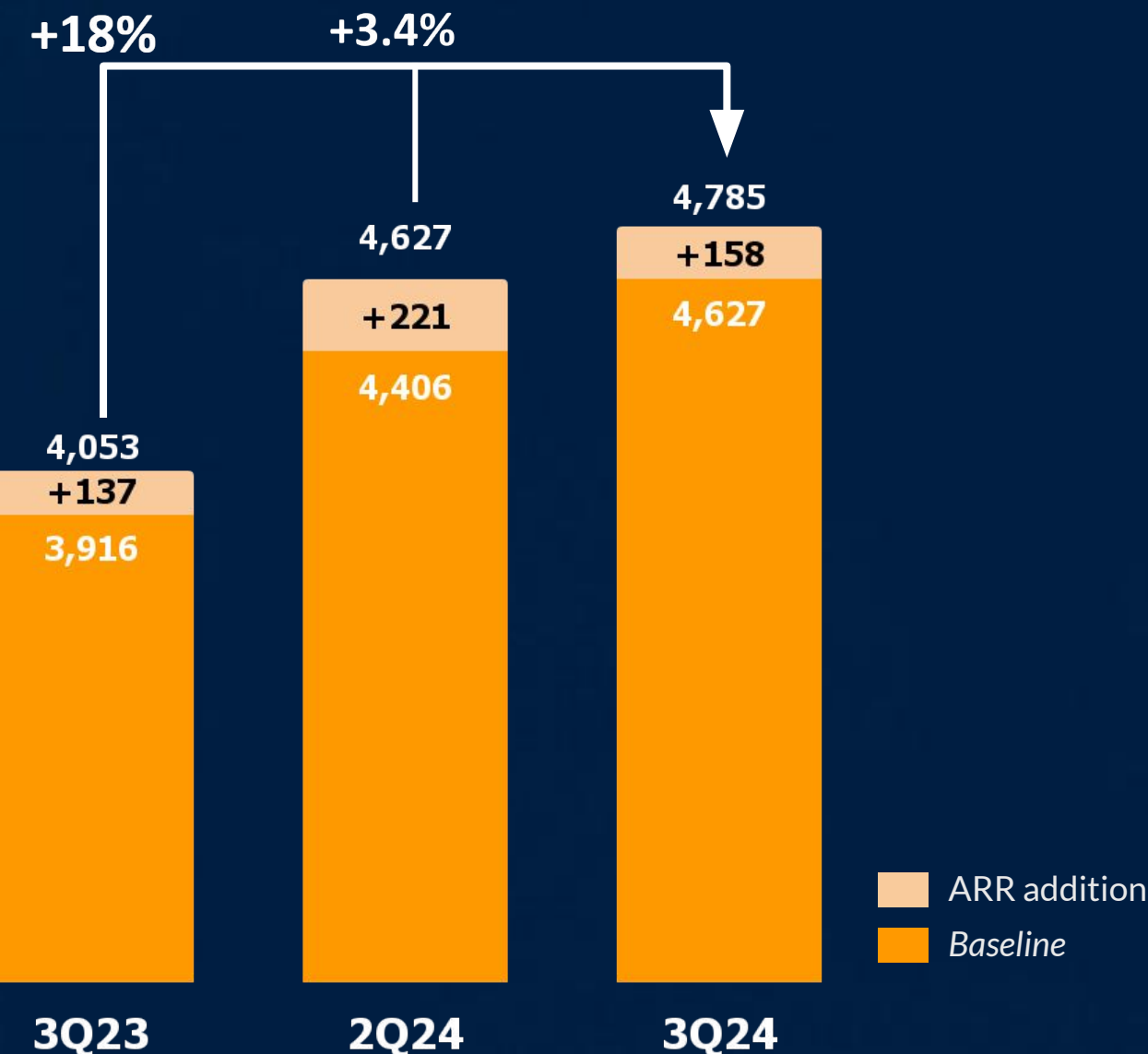
## RENEWAL RATE

1Q24	2Q24	3Q24
98.2%	98.2%	98.6%

### SaaS (R\$ million)

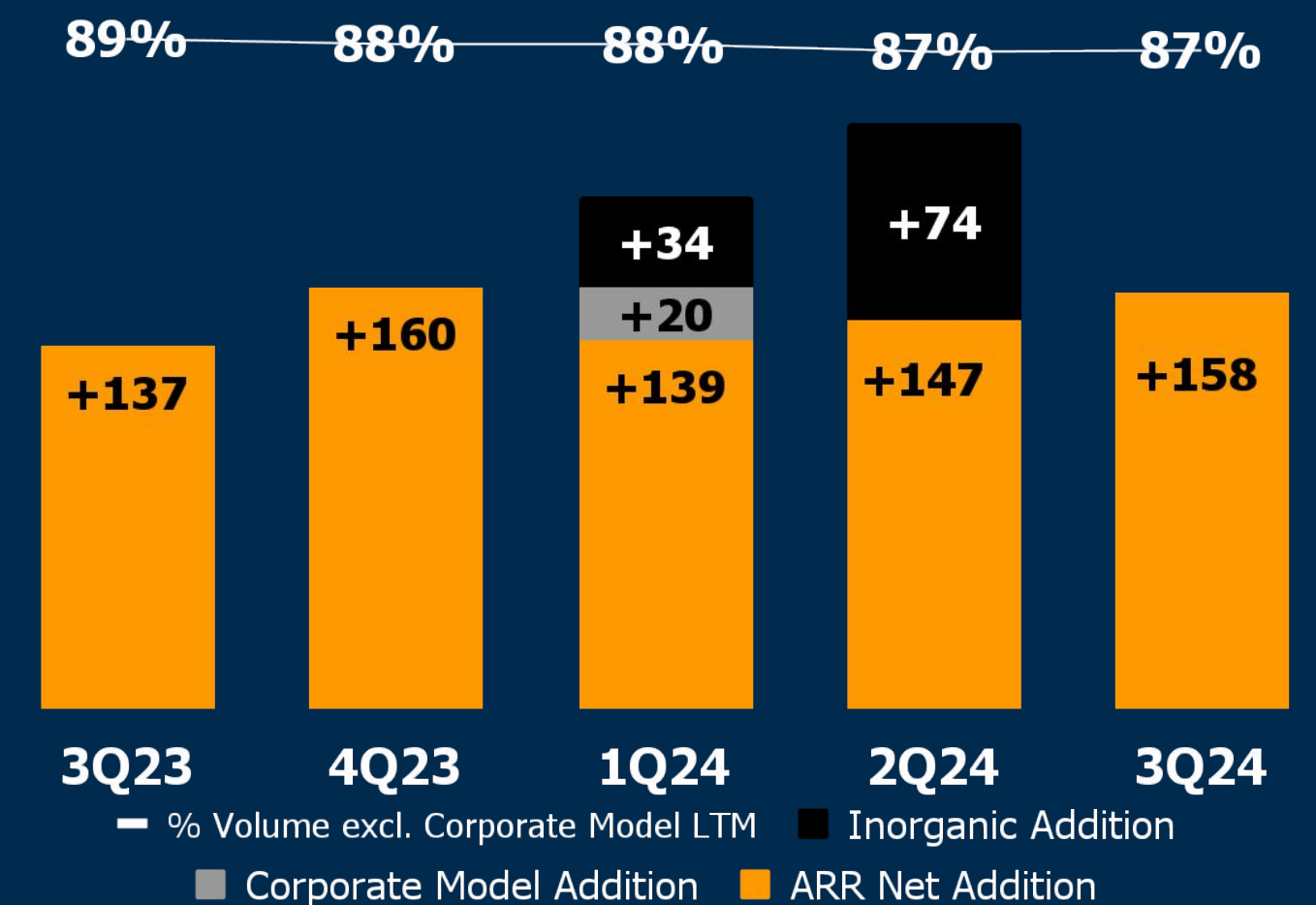


### ARR (R\$ million)



## Highlights

### Net ARR Addition (R\$million)

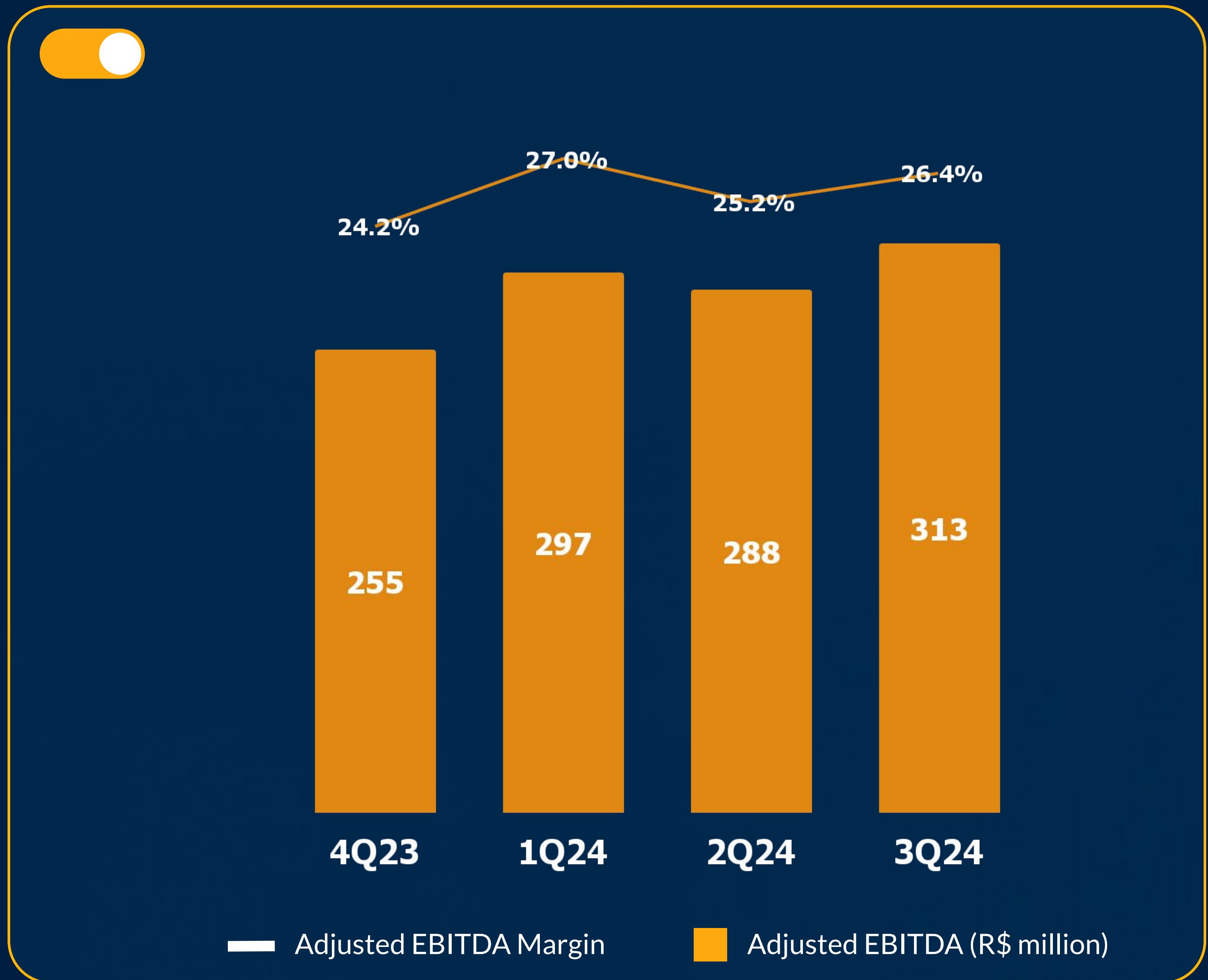


- The maintenance of strong performance in sales volume kept the LTM Volume component in the ARR addition at 87%

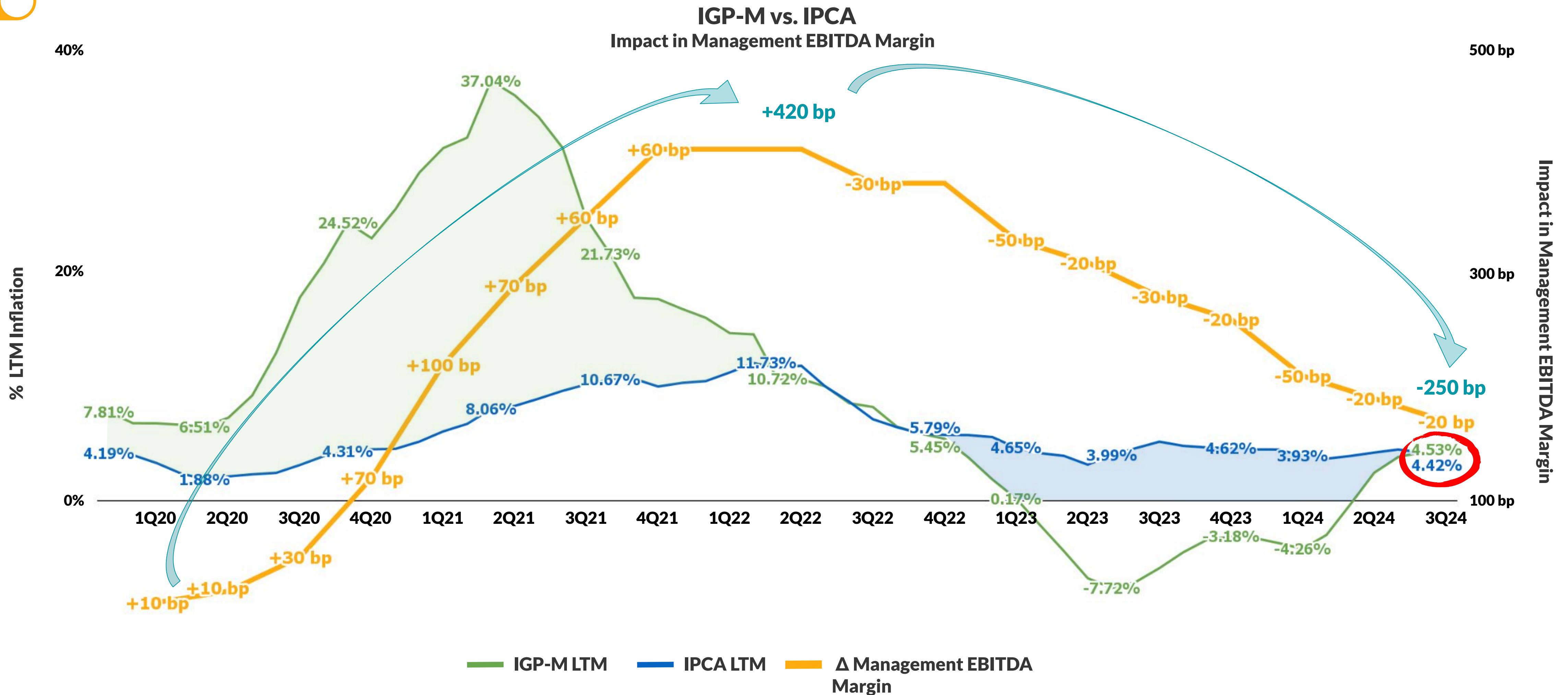
## EBITDA

**Management Adjusted EBITDA surpassed the R\$300 million mark in the quarter, with growth of 13.4% compared to 3Q23, driven mainly by the 20% increase in Recurring Revenue.**

**The Management Dimension has shown strong profitability evolution in recent quarters with sequential EBITDA growth of 8.7% versus 2Q24 and with an improvement of 1.2 p.p. in the margin.**

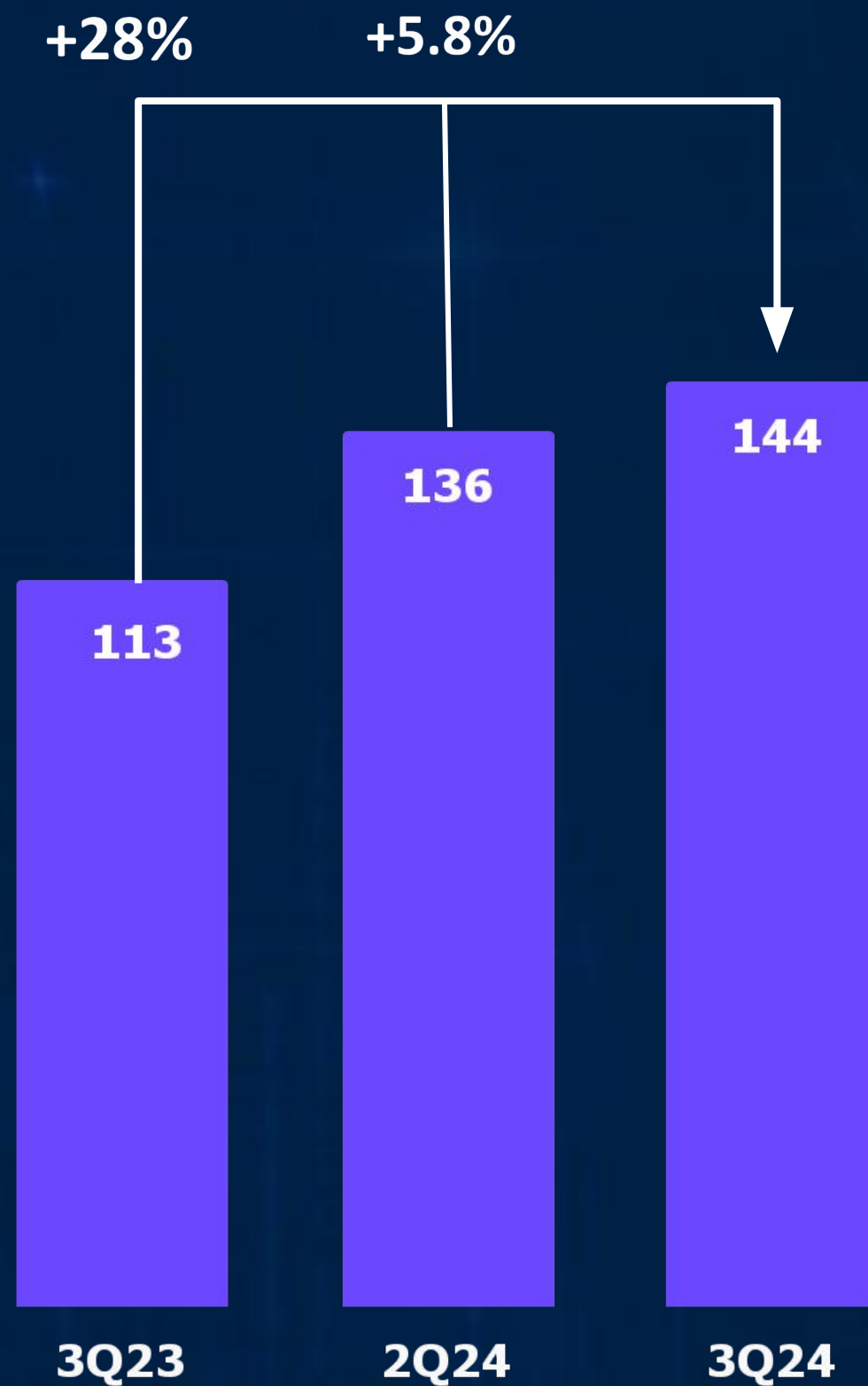


The mismatch between the IGP-M and the IPCA can contribute as a "tailwind", when the IGP-M is above the IPCA, or impact as a "headwind", when the curves are inverted.



*Business Performance Recurring Revenue grew 28% year-over-year, driven by a 27% increase in Recurring Revenue*

## NET REVENUE (R\$ million)



## ARR (R\$ million) and RENEWAL RATE



## Highlights

### Net ARR Addition (R\$million)

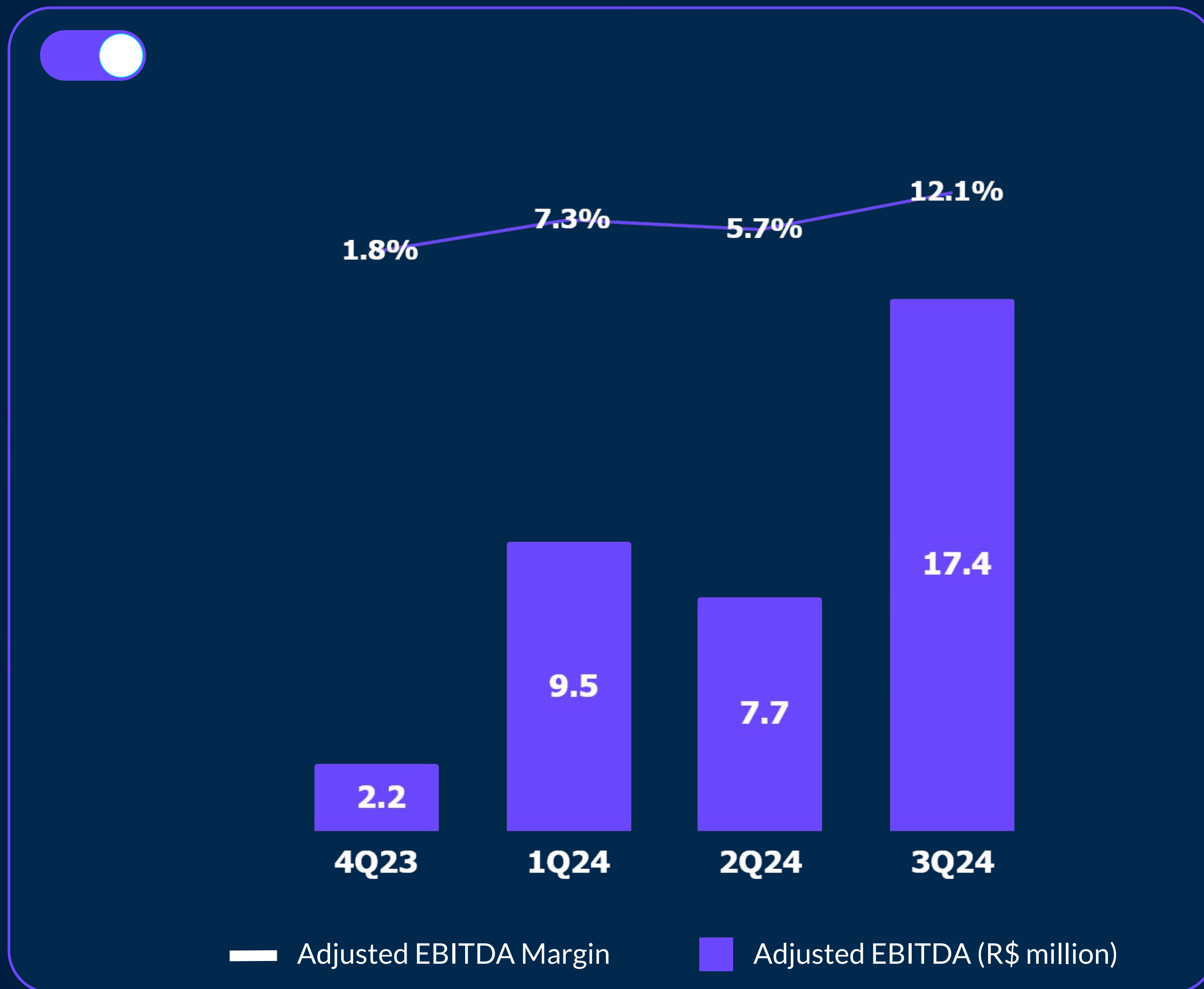


- In this Business Dimension, these indicators promptly reflect short-term market dynamics and may undergo quarterly fluctuations that do not represent structural changes. At this moment, it is our understanding that this is the current situation

## EBITDA

**Business Performance Adjusted EBITDA ended the quarter in R\$7.7 million, more than doubling year-over-year**

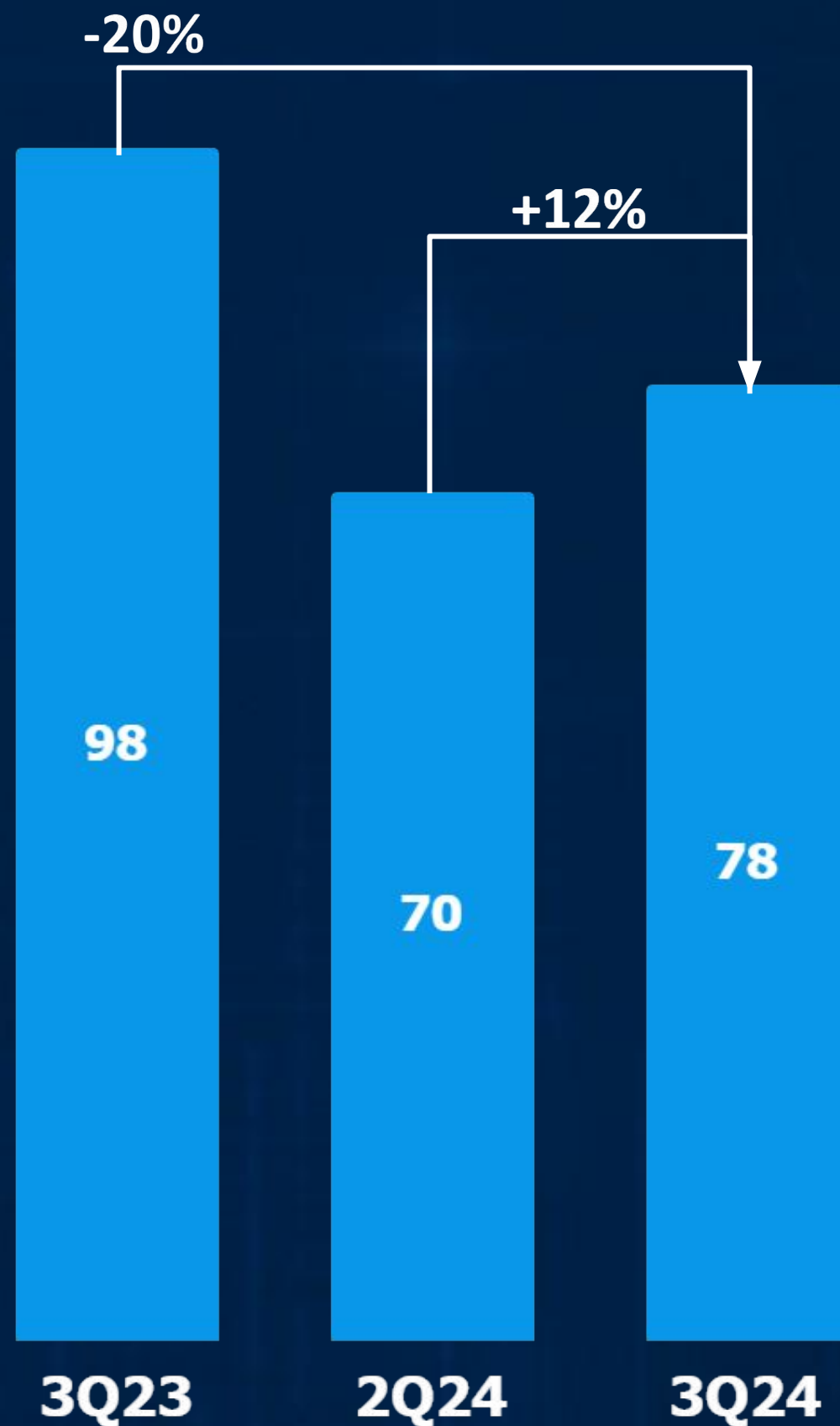
**The Adjusted EBITDA Margin reached double digits, ending the quarter at 12.1%, demonstrating the potential of the unit economics in this area, as discussed in previous quarters**



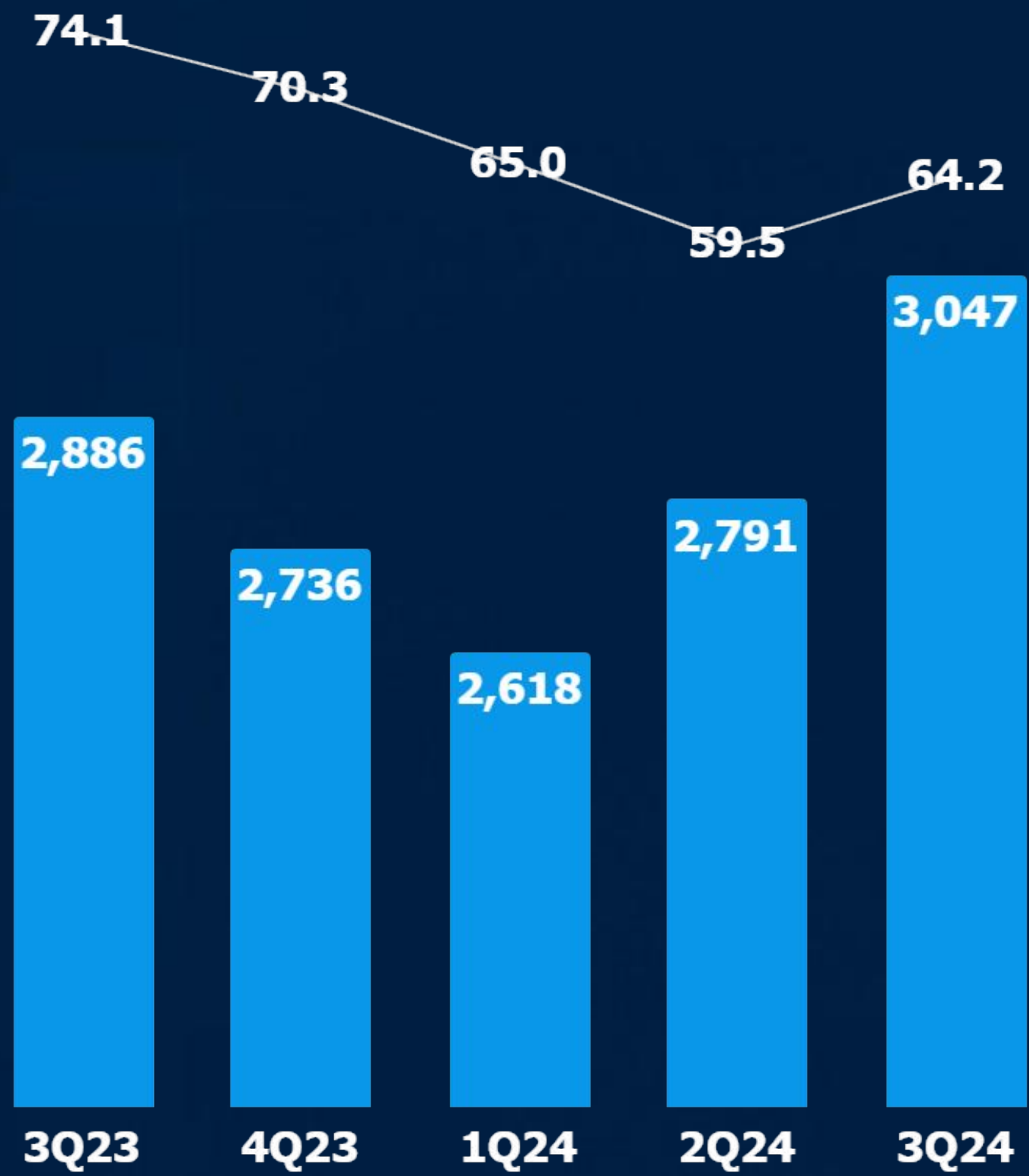


Revenue Net of Funding was partially impacted by **adverse conditions in the agribusiness sector** mainly due to drought in several key regions.

## Revenue Net of Funding (R\$ million)



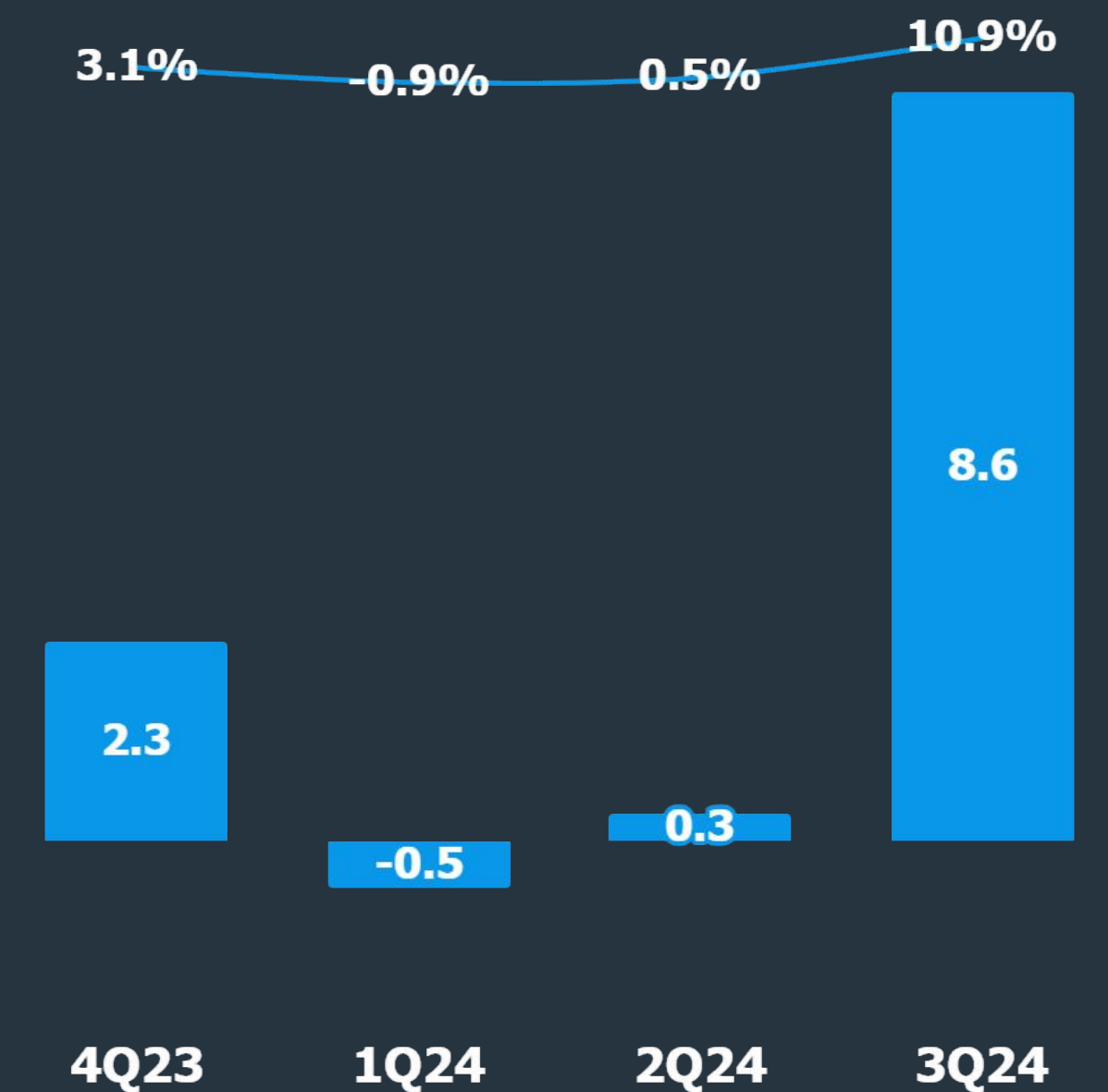
## Credit Production (R\$ million)



■ Credit Production — Average Term of Credit Produc. (days)

## Highlights

### EBITDA AND EBITDA MARGIN (LTM)

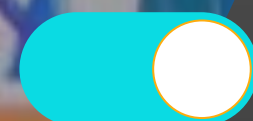


- Techfin's Adjusted EBITDA ended the quarter at R\$8.6 million, an increase of R\$8.2 million over 2Q24, mainly due to the growth in Revenue Net of Funding in the period



## New Share Buyback Program

TOTVS announced the end of the share buyback program approved on November 7<sup>th</sup>, 2023 and **the cancellation of 17,781,600 treasury shares**, without reducing share capital; and the creation of a **new buyback program of up to 18 million shares**, aiming to maximize shareholder value generation and promote efficient capital allocation.



## TOTVS in the GPTW ranking

**TOTVS took 18<sup>th</sup> place** in the category of companies with between 1,000 and 9,999 employees in the 2024 edition of the Great Place To Work Brazil (GPTW) ranking.

This recognition reflects TOTVS' belief that everyone can grow and its commitment to its goal of being increasingly recognized as a great place to work.



## ANEFAC 2024 Transparency Trophy

Recognized for the **fourth consecutive year**, the award consolidates TOTVS' position as a **reference in financial transparency** and strengthens its reputation in the market, helping to reinforce stakeholders' trust in the company.

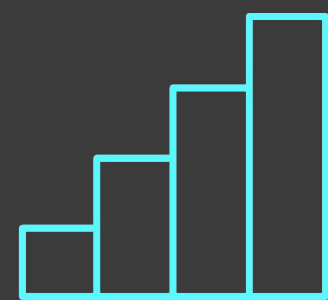
This quarter represents a kind of  
**“TO TURN THE CORNER”**  
by demonstrating the capacity for operational leverage



**22 consecutive quarters**  
with double-digit growth in  
Recurring Revenue



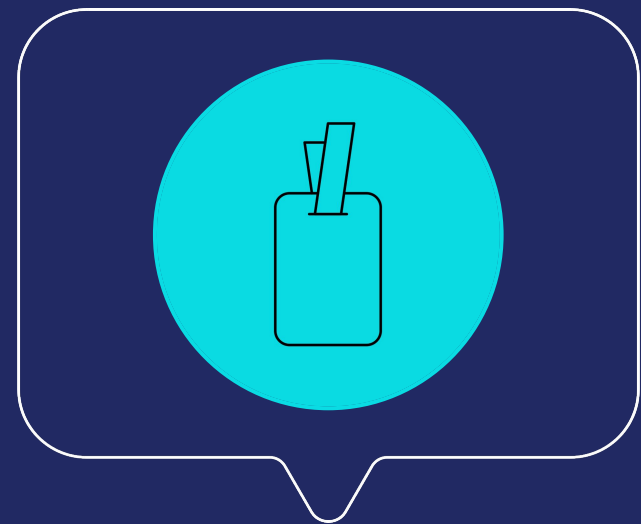
**Business Performance**  
with margin expansion above the average



**Evolution of profitability indicators in the 3 Dimensions:**

- **Management**, 8.7% growth in EBITDA with 120 bp expansion in margin
- **Business Performance**, EBITDA 127% higher, with a 640 bp margin gain
- **Techfin**, over 2,000% EBITDA growth, with 1,040 bp more in margin

# THANKS



**Investors Relations**

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