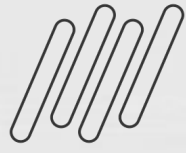




# INSTITUTIONAL PRESENTATION

» Investor Relations

2025/ March



## LEGAL NOTICE

*All information contained in this presentation, relating 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.*





**01**

# TOTVS



# OUR STORY

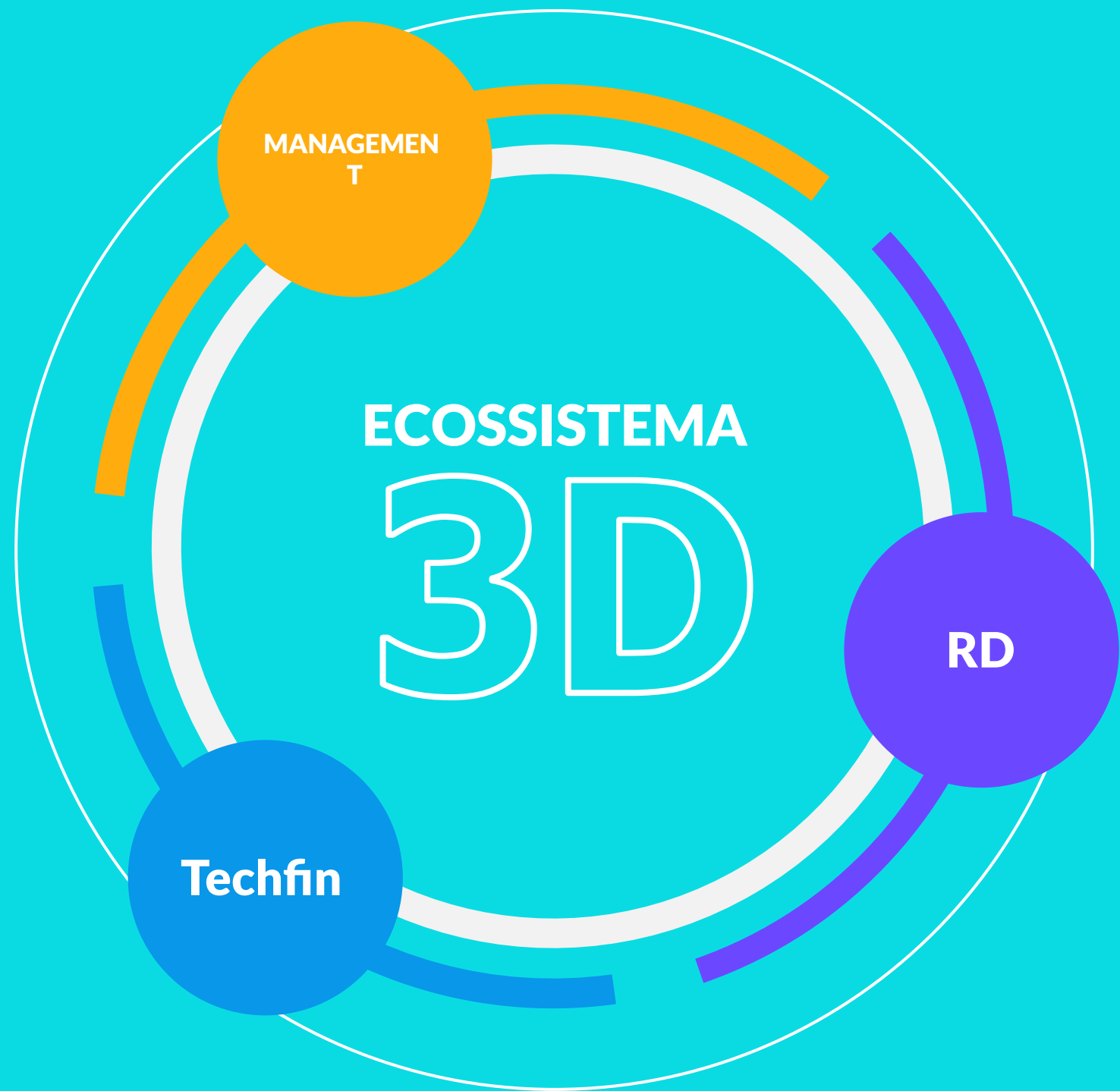


Unique and consistent trajectory



- 1983**  
Laércio Cosentino and Ernesto Haberkorn found Microsiga Software S.A.
- 1990**  
Start of the pioneering exclusive franchise system for distributing TOTVS management solutions
- 1997**  
Start of international operations with the opening of a branch in Argentina
- 1999**  
Launch of ADVPL, its own programming language
- 2005**  
The corporate name is changed to TOTVS S.A. (a word that comes from Latin and means everything, everyone, totality)
- 2006**  
IPO and subsequent acquisition of RM Sistemas S.A. is carried out.
- 2008**  
Acquisition of Datasul and consolidation of the Brazilian management systems market
- 2011**  
Specialization strategy with the creation of software offerings by industry segment of customer operations
- 2014**  
Start of TOTVS Cloud operations
- 2015**  
Launch of the TOTVS Intera subscription commercial model for small, medium and large companies
- 2019**  
Launch of the strategic plan for 3 business units to expand the TAM and continue growing  
Acquisition of Supplier and establishment of the Techfin business unit  
Carrying out 2 Follow-ons (2019 and 2021) that raised R\$2.5 billion
- 2021**  
Acquisition of RD Station and establishment of the RD Station business unit
- 2022**  
JV with Itaú to accelerate Techfin
- 2025...**

# WHY DID WE CREATE THE 3D ECOSYSTEM?



1

We lead in **Management** , a large market with room for growth

2

To continue growing rapidly for many years, **we need to seek new markets by creating new businesses** (Biz Performance and Techfin)

3

Our new businesses must take advantage of our **main strengths**:

- 1. **Focus on SME**
- 2. **Proximity and intensity of relationships with customers**
- 3. **We are the biggest on the market**

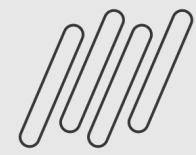
4

We identified space to expand our value proposition (**improve company results** ) and take on a new positioning (**trusted advisor** )

5

**Techfin** and **Business Performance** are these new markets

# Our Numbers



**+70 thousand customers**  
of all sizes in more than 40 countries



**11 Consolidating Franchises**  
spread throughout Brazil to serve our customers in the 37 franchised territories



**#1 ERP Company in Brazil** <sup>(2)</sup>  
one of the largest technology companies, with absolute dominance in the ERP journey



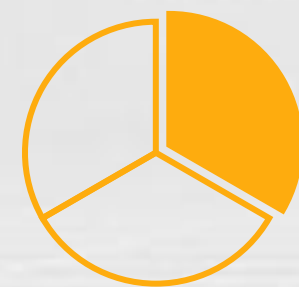
**14 customer relationship units**  
SP, RJ, BH, RS, Recife, Interior of São Paulo,  
Large Enterprise, Public Sector, Health, Argentina, Chile, Colombia, Mexico  
and USA



**~R\$2.7 trillion** <sup>(1)</sup>  
of the economy are produced by our customers



**11 development centers**  
SP, BH, Joinville, POA, Florianópolis, Cascavel, Assis,  
Ribeirão Preto, Goiânia, USA, MEX



**~1/3 of Companies** <sup>(3)</sup>  
listed on B3 are TOTVS customers and 62%  
of these companies have been with us for  
more than 10 years





02

# ADDRESSABLE MARKET

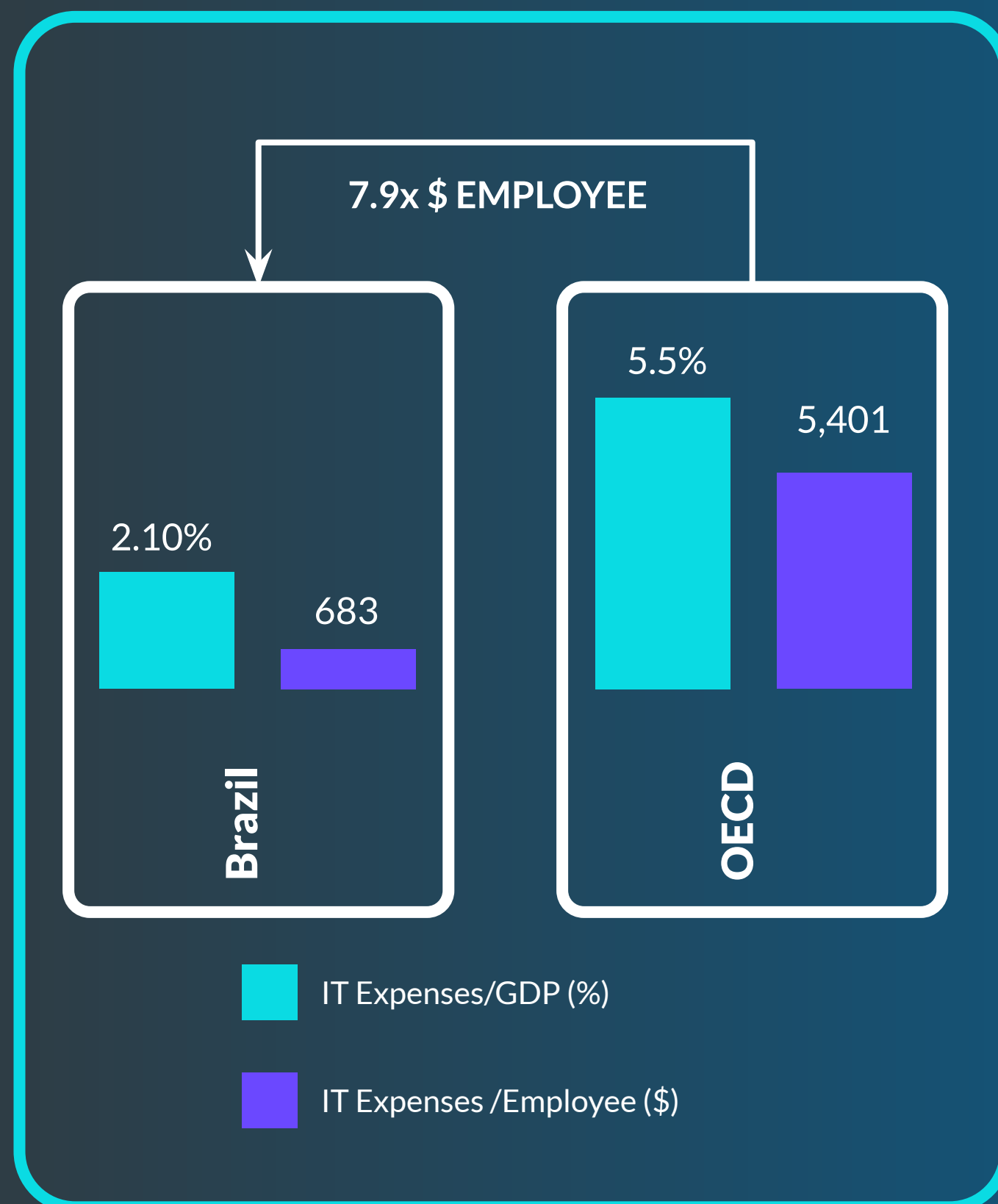


# INVESTMENT IN SOFTWARE 2023

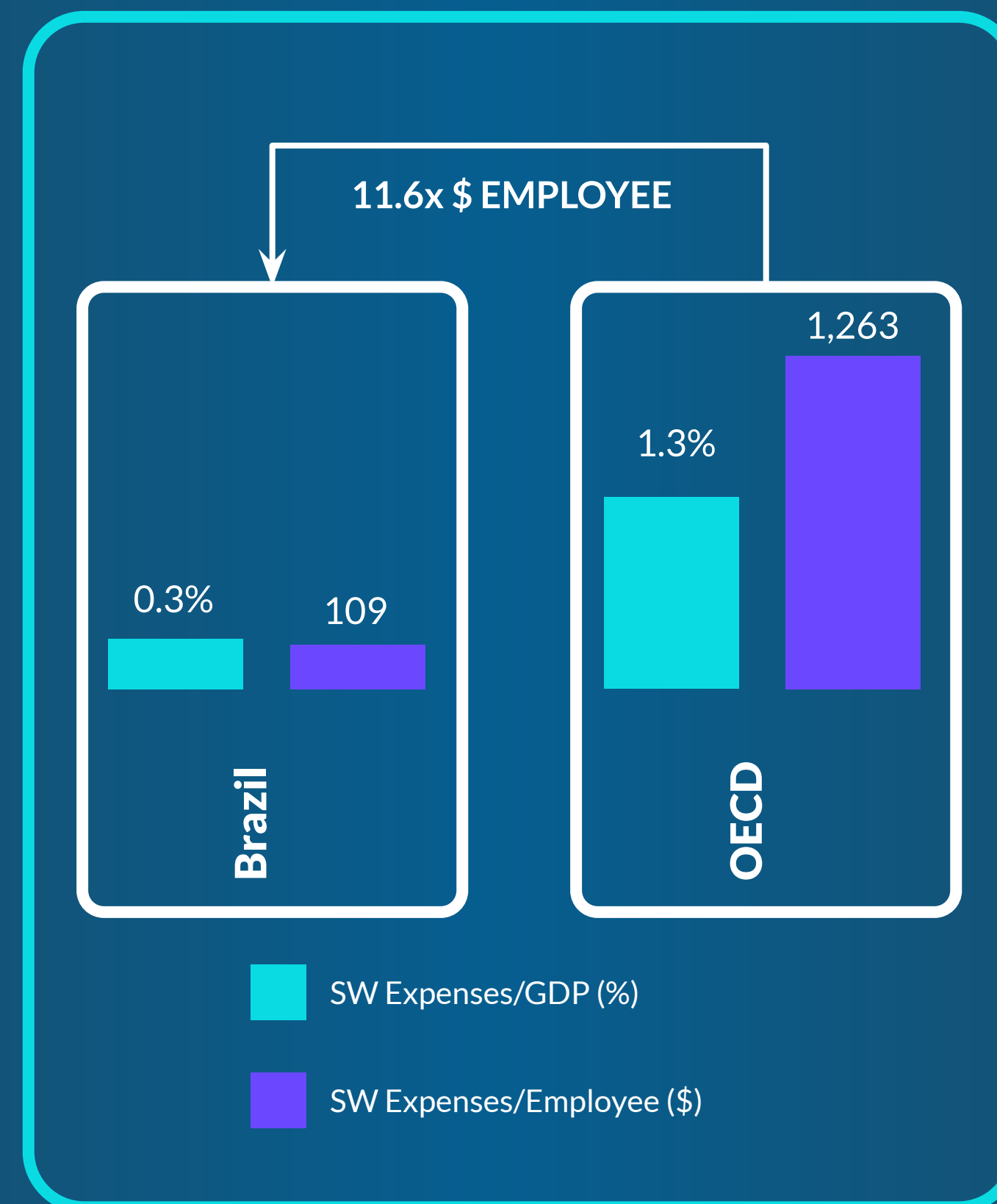


IT AND SOFTWARE SPENDING, BY ANY METRIC, IS STILL LOW

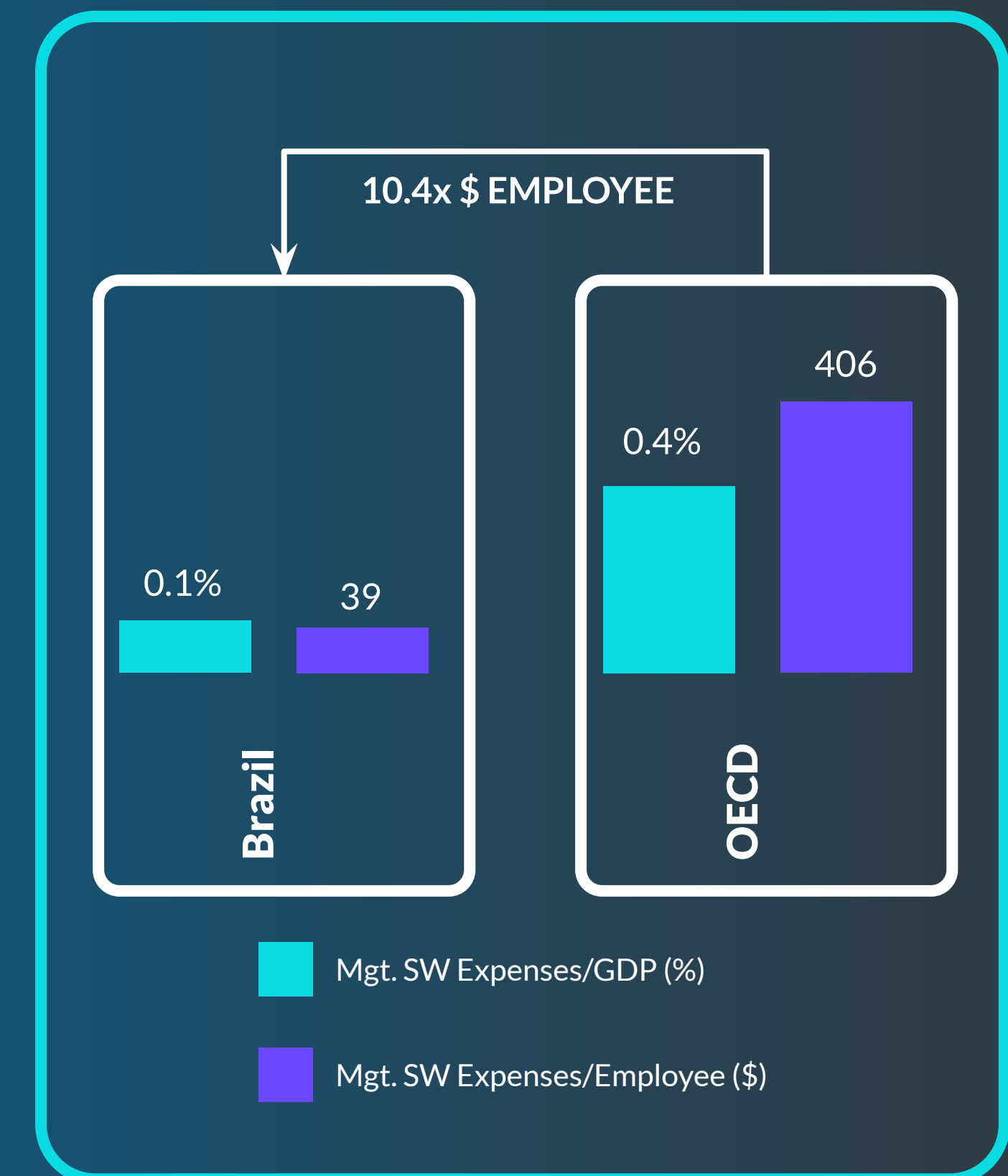
## IT EXPENSES



## SOFTWARE EXPENSES



## MANAGEMENT SW EXPENSES



Source: World Bank, OECD, TOTVS



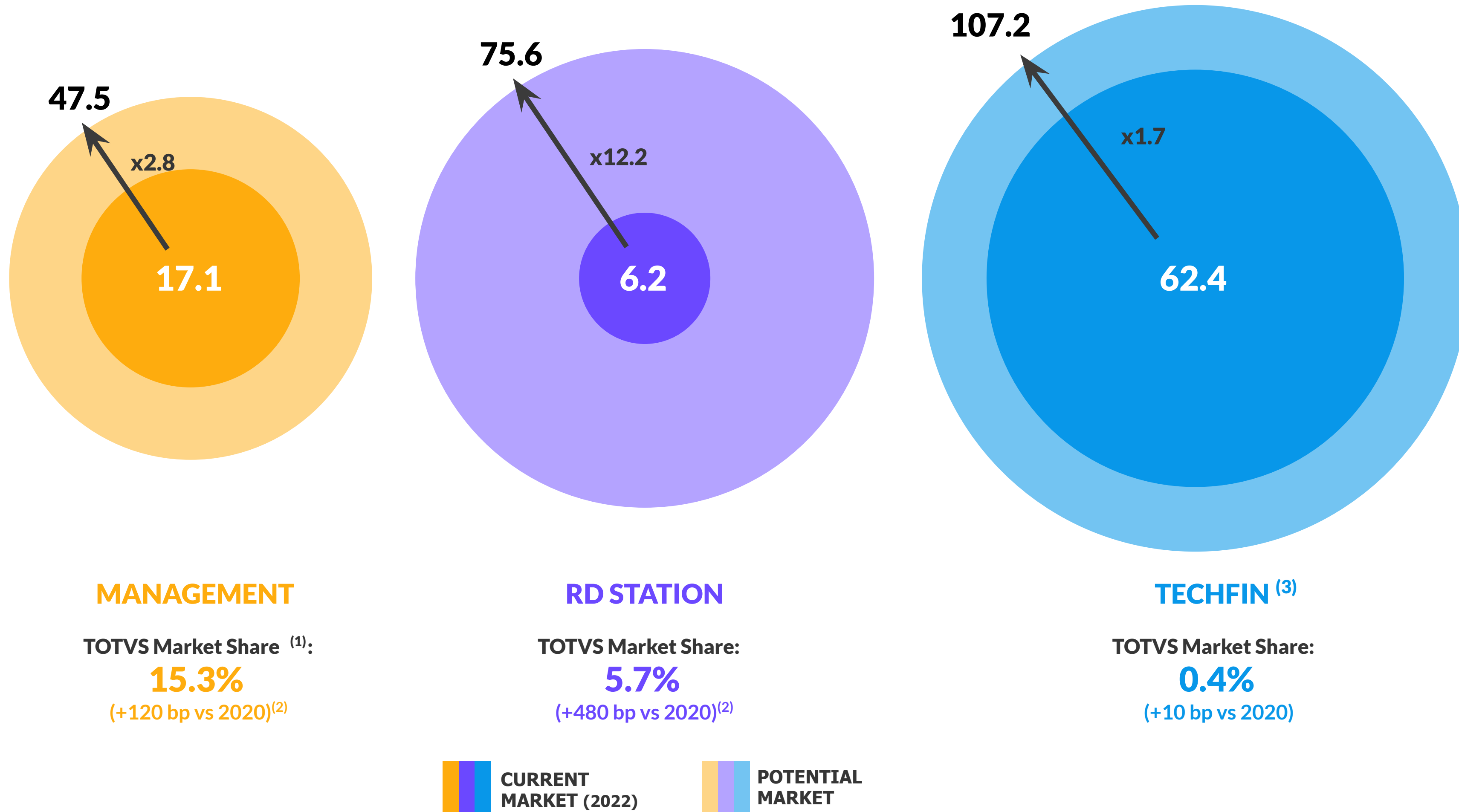
TOTVS has grown above the EAS (Enterprise Application Software) market, which has consistently grown above Brazilian GDP and accelerated its pace in recent years

CAGR	2013-23	2019-23
<b>Brazilian GDP (Nominal)</b> <sup>(1)</sup>	<b>6.4%</b>	<b>8.0%</b>
<b>Management Market</b> <sup>(2)</sup>	<b>13.2%</b>	<b>16.2%</b>
	<b>2X</b> Brazilian GDP (Nominal) <sup>(1)</sup>	<b>2X</b> Brazilian GDP (Nominal) <sup>(1)</sup>
<b>TOTVS Management</b> <sup>(3)</sup>	<b>14.9%</b>	<b>19.1%</b>
	<b>+1,7 p.p.</b> Management Market <sup>(2)</sup>	<b>+2,9 p.p.</b> Management Market <sup>(2)</sup>
<b>Performance Market</b> <sup>(2)</sup>	<b>26.0%</b>	<b>25.9%</b>
	<b>4X</b> Brazilian GDP (Nominal) <sup>(1)</sup>	<b>3X</b> Brazilian GDP (Nominal) <sup>(1)</sup>
<b>TOTVS RD Station</b> <sup>(4)</sup>	<b>89.8%</b>	<b>32.9%</b>
	<b>+64 p.p.</b> RD Station Market <sup>(2)</sup>	<b>+7 p.p.</b> RD Station Market <sup>(2)</sup>

Sources: (1) BACEN; (2) Gartner; (3) TOTVS - Management Recurring Revenue; and (4) TOTVS - Revenue from RD Station in 2013.

# TOTVS ADDRESSABLE MARKET (R\$ billion)

3D Ecosystem expanded our potential market by ~5x



**Growth drivers for the potential market ...**

-  **1. Software Market** - increasing the IT maturity of Brazilian companies to a level similar to the OECD average
-  **2. B2B credit market** - access of SMB companies to credit similar to the average of those companies that already take on debt currently in Brazil
-  **3. New markets (Techfin and Biz Performance)** - the current size and potential of these new markets indicate that TOTVS does not need to be dominant in them for its growth to be relevant

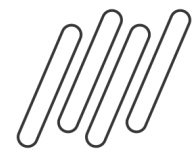
Sources: IDC, Central Bank and TOTVS Market Intelligence, respectively. | Notes: (1) TOTVS' market share considers, in addition to Back-office and HR ERP solutions, Verticals and other solutions; (2) **Considers the review of market size**, including from previous periods, **carried out by IDC, which changed the 2020 market share from 19.4% to 14.1% in Management and from 4.5% to 0.9% in Business Performance**; (3) The size of the Techfin market was proportionally adjusted from the gross revenue metric to the net funding revenue, which better reflects the spread.



03

# COMPETITIVE DIFFERENTIALS





# 1

## BUSINESS MODEL

---

*Combination of broad addressable market, high level of loyalty, profitability and sustainability of recurring revenue (SaaS) combined with potential growth in transactional revenues*

# 2

## DISTRIBUTION PLATFORM

---

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

# 3

## SOLUTIONS PORTFOLIO

---

*Beyond the ERP: B2B technologies ecosystem in 3 business dimensions: Management, Techfin and Business Performance*

# 4

## M&A & PARTNERSHIP STRATEGY

---

*Main consolidator of Brazilian Tech Market: We believe acquisitions are a powerful tool to leverage our strategy of strengthening our core business and expanding into new market*

# 5

## ESG AGENDA

---

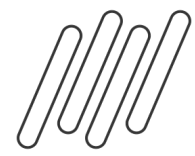
*Executive Team engaged and experienced in the technology sector. Culture of operational excellence, transparency, efficiency, and high standards of excellence in governance, ethics and integrity and ESG*



# BUSINESS MODEL

Resilience and predictability of the recurrence model combined with the faster capture of market growth and take rate of the transactional model

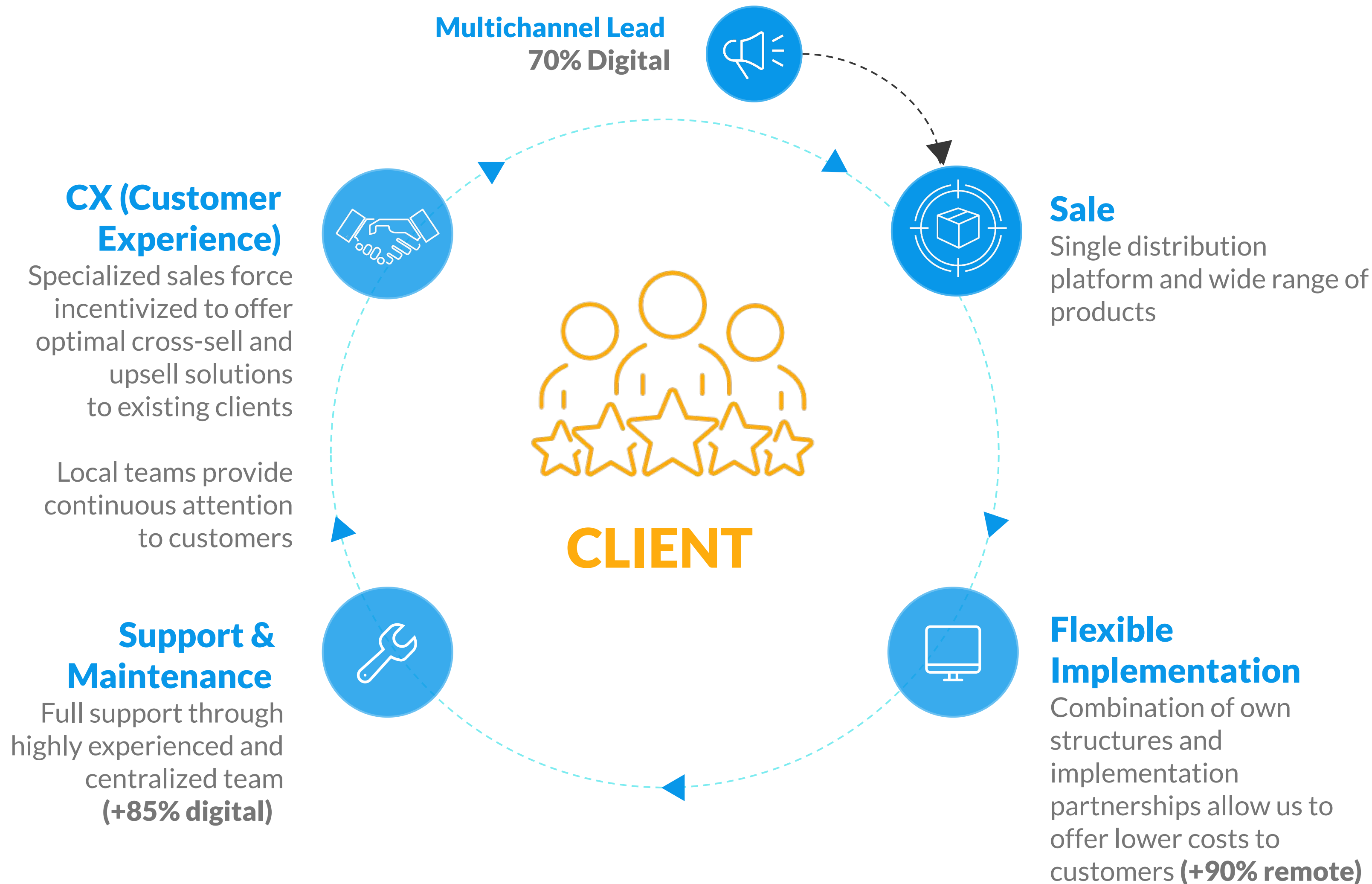
	Predictability	Earlier capture of market growth	Where we are in Client P&L
<b>MANAGEMENT</b> Recurring Model			G&A
<b>RD STATION</b> Recurring + Transactional Model			Sales & Marketing
<b>TECHFIN</b> Transactional Model			Financial Results (Working Capital)
<b>TOTVS</b>			G&A, Sales, Marketing, Working Capital e Financial



# BUSINESS MODEL



Presence and partnership in all stages of the Customer Journey strengthen loyalty



## Far Beyond ERP: 3D ecosystem



Management



Techfin



RD Station

## In 12 strategic segments of the economy and for customers of all sizes



Agribusiness



Construction



Distribution



Education



Financial Services



Health



Hospitality



Legal



Logistics



Manufacturing



Retail



Service Providers

## Flexibly deployed



Cloud



On-premise



## Across media

## Distribution Platforms



Franchises & Branches



Multichannel



Partnership



Own sales force



Affiliates

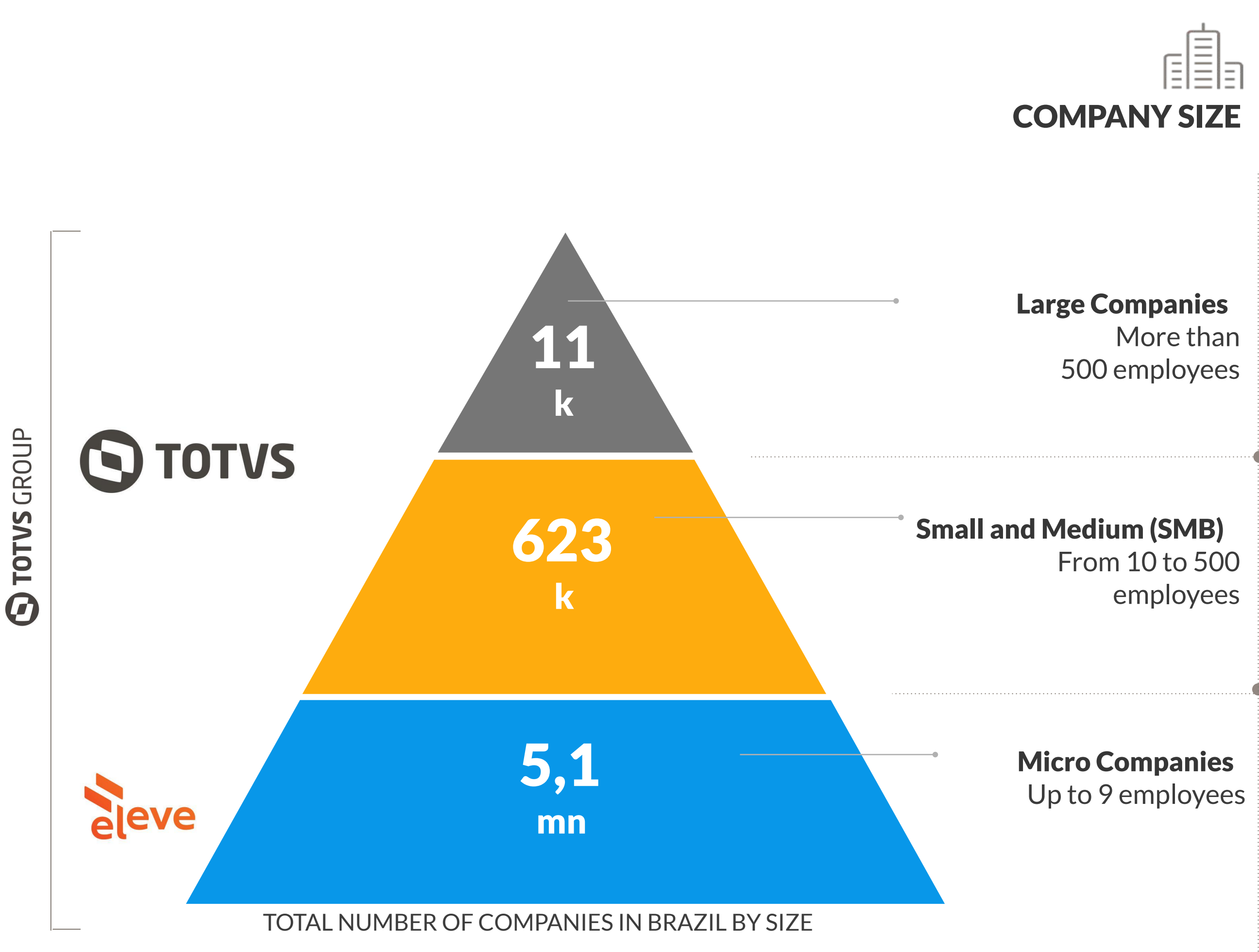


Digital Platform



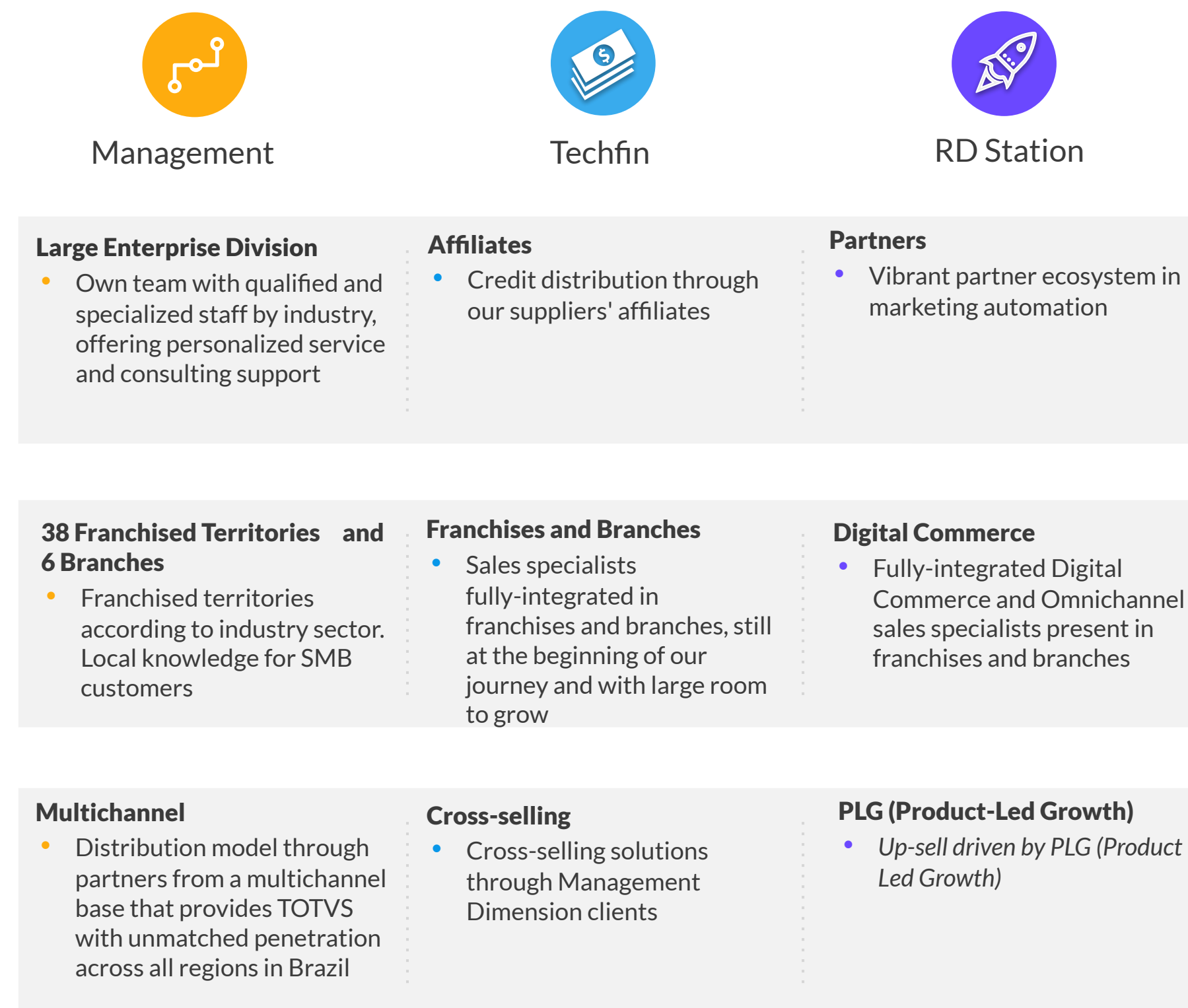
# DISTRIBUTION PLATFORM

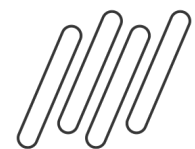
Local and digital presence, based on a highly capillary distribution model



## DISTRIBUTION CHANNELS LOCAL AND DIGITAL

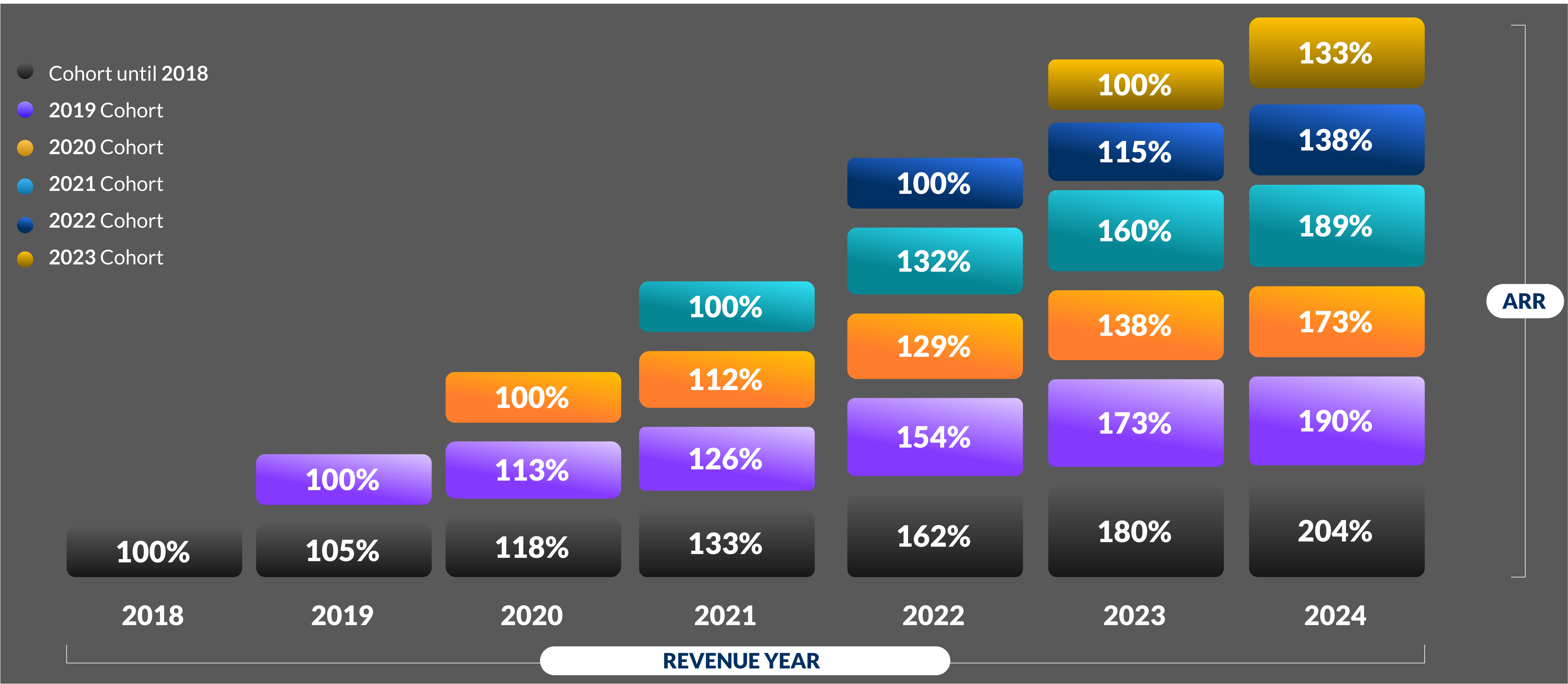
### HOW WE RELATE WITH OUR CUSTOMERS





# MANAGEMENT COHORT ANALYSIS

The capacity for additional sales, combined with the inflation pass-through and low churn, means that the value of each cohort increases over the years.







# BUSINESS PORTFOLIO

Accelerating our clients' digital Journey through the 3D Ecosystem



**Digitalization and Innovative Credit Access**

Exponentializing new and existing business

## TECHFIN

- ✓ CREDIT
- ✓ CASH MANAGEMENT
- ✓ PAYMENTS

**CX Digitalization**  
Captive and be relevant

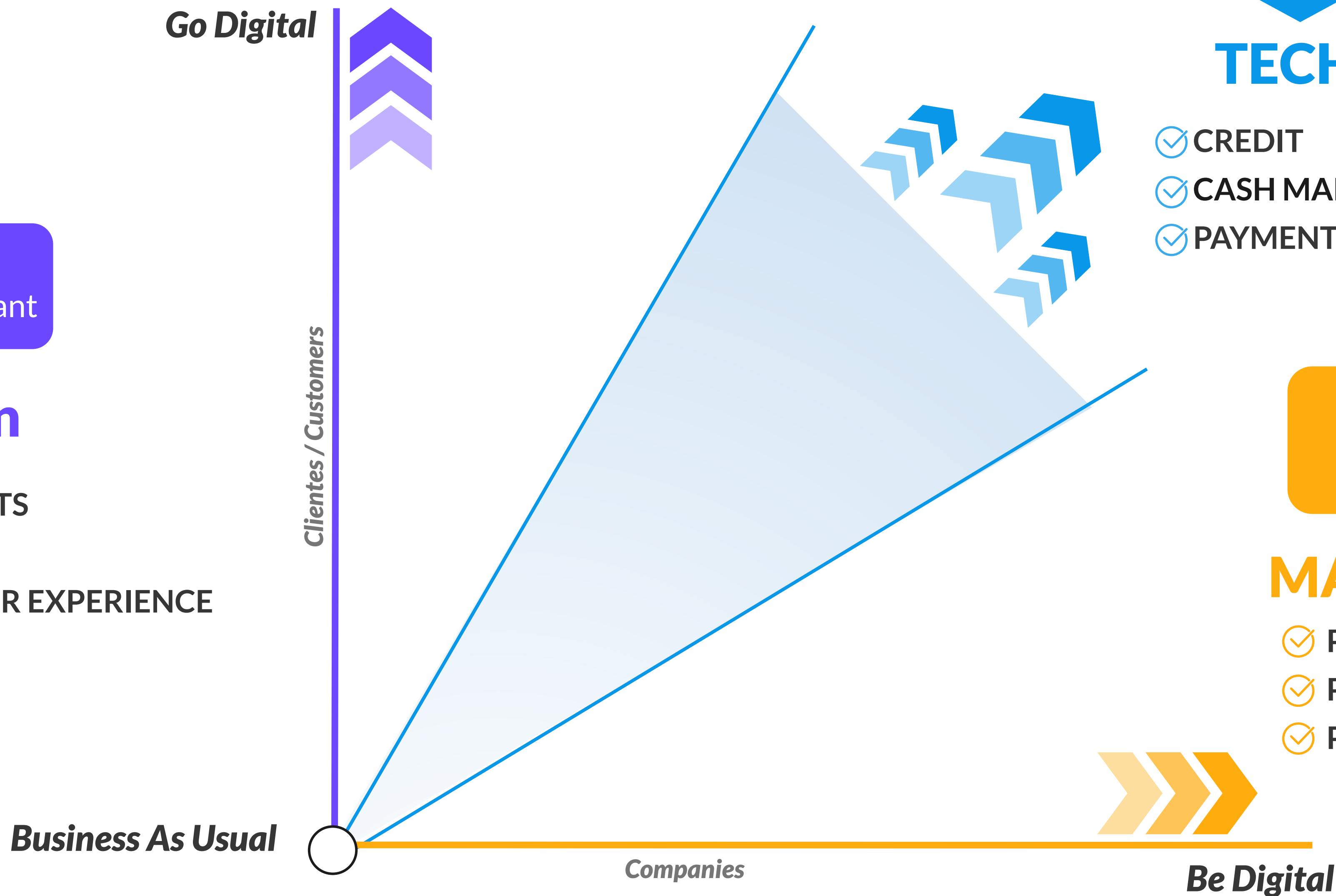
## RD Station

- ✓ KNOW YOUR CLIENTS
- ✓ SALES GROWTH
- ✓ IMPROVE CUSTOMER EXPERIENCE

**Digitalization Company**  
Be agile and solid

## MANAGEMENT

- ✓ PROCESS
- ✓ PEOPLE
- ✓ PRODUCTIVITY





# BUSINESS PORTFOLIO



## MANAGEMENT BUSINESS UNIT

**ERP, HR solutions** (from payroll to human capital management), and **vertical solutions** for 12 market segments



A market not yet mature, with **~30% of SaaS signings from New Names** and potential TAM to become 3.3x larger



**The digitization Journey** demands growing levels of corporate IT investments, boosting our core dimension



More than simple personnel department solutions, **SMB companies** are updating to the **ultimate platform** for human capital management

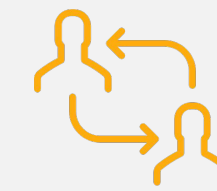


### PORTFOLIO AND DISTRIBUTION

#### ERP & HR Suite

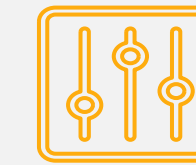


**ERP Backoffice**



**HR (HXM)**

#### Platforms



**Business Intelligence (Analytics)**



**Carol Platform (AI e Data)**



**Fluig (Productivity & Collaboration)**

#### Vertical Solutions



**Agribusiness**



**Construction**



**Distribution**



**Education**



**Financial Services**



**Health**



**Hospitality**



**Legal**



**Logistics**



**Manufacturing**



**Retail**



**Service Providers**

#### Services



**Consulting**



**Cloud**



**Trainings**

#### Micro Companies



**Solutions for Micro Companies**



# BUSINESS PORTFOLIO



## RD STATION BUSINESS UNIT

**PORTFOLIO OF SOLUTIONS** to support our clients from diverse market segments to increase sales, competitiveness and performance

- ✓ **Digital marketing platform** that drives demand and lead generation for SMB
- ✓ **Exponentializing digital commerce** with an asset light model that drives **GMV + take rate growth** trough full commerce



Digital Marketing Automation and Management



Virtual assistant trained with personalized data to qualify leads via integrated chat



Automation of customer service to sell more



Process control to boost sales



Increase in commercial efficiency



Control of sales made by online stores and marketplaces



Complete platform to manage and expand customer online store



## PORTFOLIO AND DISTRIBUTION

DIGITAL MARKETING

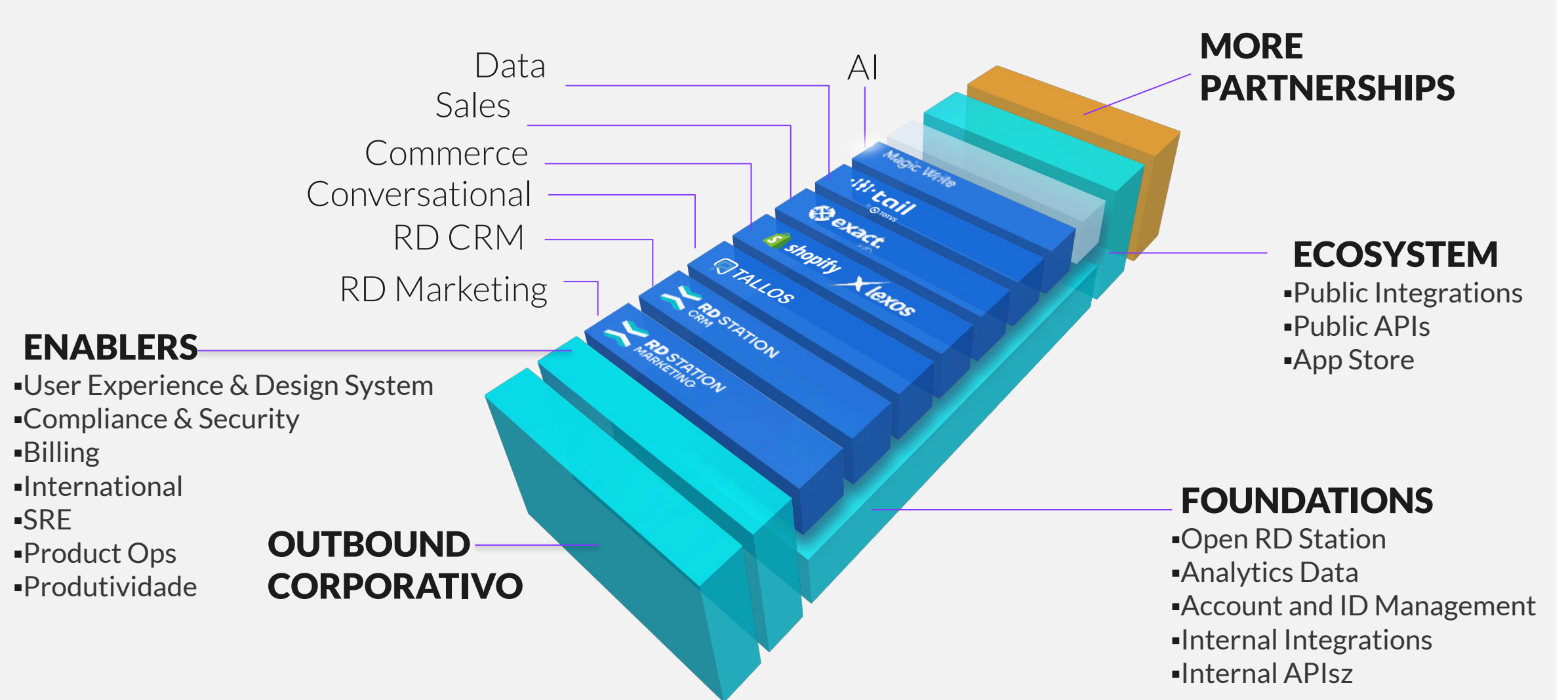


SALES / DIGITAL COMMERCE



CUSTOMER EXPERIENCE

### RD STATION PLATFORM





# PORTFOLIO OF SOLUTIONS

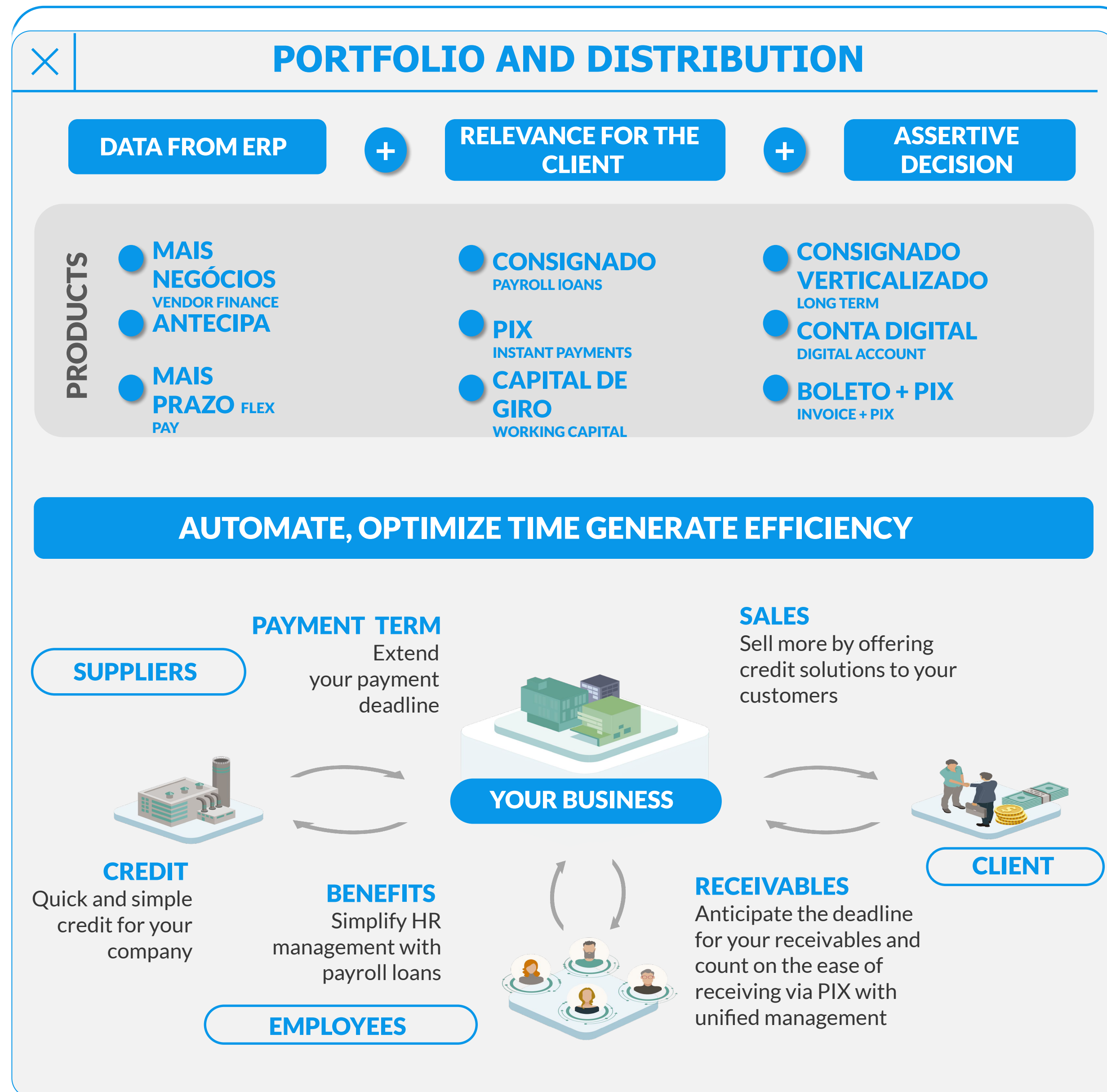


## TECHFIN BUSINESS UNIT

SINGLE JOURNEY | ERP BANKING

We combine technology and data intelligence to simplify, expand and democratize companies' access to financial services with a disruptive value proposition that considers the **ERP BANKING** thesis, integrating Management software with financial solutions offerings

- Low Risk** business model
- Lower** regulation
- Self-Sustainable** business unit





# M&A & PARTNERSHIP

Successful growth strategy based on three main levers



**ORGANIC**



Revenue growth with **Higher efficiency on R&D spending**



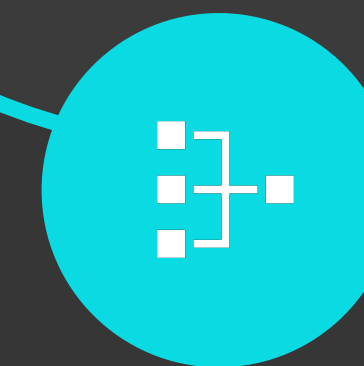
**PARTNERSHIP**



Partnerships with **leading companies**, including Shopify, B3 and Itaú



**M&A**



Acquisitions **~1.5x the proceeds from latest Follow-On** , reaching +R\$3.4 billion

**Growth coupled with higher efficiency**



# BUILDING 3D ECOSYSTEM

M&As Enterprise Value: ~R\$3.7 billion (since 2019 Follow-On)



## MANAGEMENT

<b>Plan. and management financial</b>  Mar/2022	<b>Rational</b> Increase in the Management business portfolio + access and data intelligence
<b>Human experience management</b>  Sep/2022	<b>Rational</b> Expand HXM solutions, strengthening the portfolio for the Human Resources area
<b>Human capital management</b>  Nov/2023	<b>Rational</b> Expand the position as a platform for HR, strengthening the solutions from personnel department to employee experience management
<b>Retail Suite</b>  Nov/2023	<b>Rational</b> Expand the development of a complete Retail Suite, focusing on transforming retailers' management.



## TECHFIN

<b>B2B Credit</b>  Oct/2019	<b>Rational</b> Best finance offer to the entire supply chain
<b>Digital Platform of Financial services</b>  Apr/2022	<b>Rational</b> Expand, simplify, and democratize the access to a wide range of financial products in the B2B market



## RD STATION

<b>Digital Marketing</b>  Mar/2021	<b>Rational</b> The leader in the digital marketing transformation of SMBs
<b>Conversational commerce</b>  Aug/2022	<b>Rational</b> One of the major developers of solutions for conversational commerce in the country
<b>E-commerce</b>  May/2023	<b>Rational</b> World leader in e-commerce platform, to offer solutions for SMEs
<b>Digital-commerce</b>  May/2023 Jun/2023	<b>Rational</b> Solutions to enhance the integration of sales and prospecting and potential customer qualification platforms

Source: Company

M&A Partnership



# GOVERNANCE



## Highest level of Corporate Governance

(B3 - Novo Mercado)

### BOARD OF DIRECTORS

6 out of 7 board members are independent

**Laércio Cosentino**

**Chairman**

Co-Founder of TOTVS , Chairman of the Board of Brasscom and Member of the Board of Trustees of AC Camargo Cancer Center and Mendelics

**Maria Letícia Costa**

**Vice-Chairman Independent Member**

Member of the Boards of Auren Energia, Localiza, Mapfre, Dasa and Partner at SLP Consultoria e Training

**Edson Georges Nassar**

**Independent Member**

Member of the Board of BIPAR, Member of the Advisory Board of Lighthouse and Outside Consultant of Cresol

**Gilberto Mifano**

**Independent Member**

Member of the Boards of Construtora Pacaembu and Natura, Member of the Fiscal Council of Arapyau and Conexão Povos da Floresta, and Advisory Councilor of Pragma

**Guilherme Stocco Filho**

**Independent Member**

Member of the Boards of Vinci Partners and Cadastra Marketing Digital, and Co-founder of Future Capital

**Ana Claudia Reis**

**Independent Member**

Senior Partner at Kingsley Gate Partners

**Tania Sztamfater Chocolat**

**Independent Member**

Executive Director of LatAm Investments at CPP Investments and Member of the Boards of Equatorial Energia and LAVCA

### ADVISORY COMMITTEES

**Statutory Audit**

Monitors Financial Statements and Information, risk management, internal controls, and analyzes transactions with related parties

**People and Compensation**

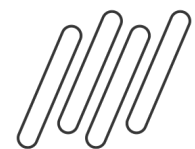
Analyzes the compensation of Administrators and monitors the annual evaluation of executives and the succession plan

**Governance and Nomination**

Monitors the adoption of ESG best practices, selects and nominates members for the Board and its Committees, and evaluates their independence

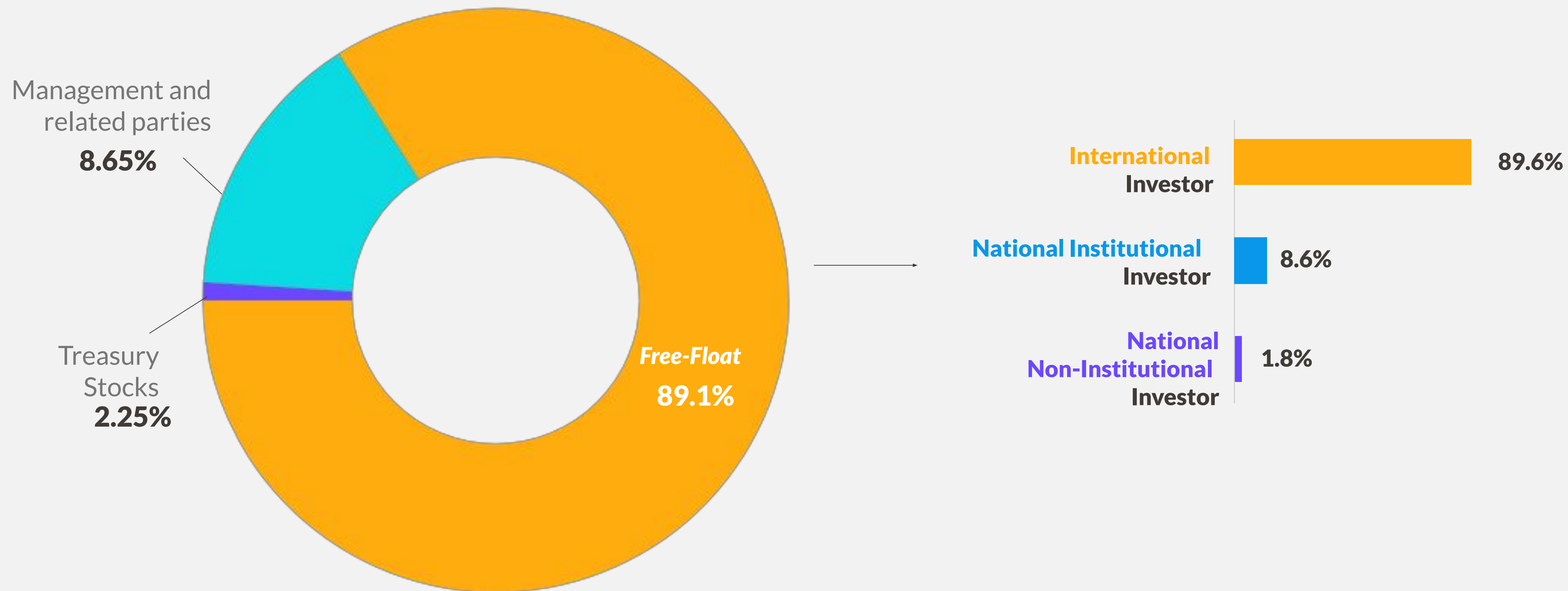
**Strategy**

Analyzes and discusses the main Strategic Planning guidelines, including the Company's ESG and M&A strategy



# GOVERNANCE

Shareholding Composition\*: True Corporation



\*As of December 31<sup>st</sup>, 2024





# ➔ INVESTIMENTO SOCIAL

A TOTVS É MANTENEDORA DO IOS E ACREDITA QUE  
O INVESTIMENTO SOCIAL TRANSFORMA



## RECONHECIMENTO INTERNACIONAL

**thedotgood.**



11° Brasil



149° Global



**+47 MIL**

Formados nos últimos  
27 anos



**2.200**

Média de alunos  
atendidos



**1.800**

Formados nos cursos do  
IOS



**1.407**

Alunos empregados



**59%**

Aumento na renda  
das famílias



# #WEARETOTVERS CULTURE

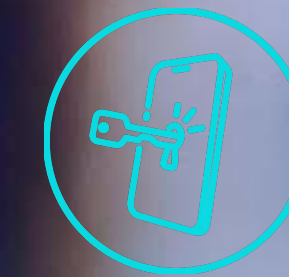
## defines our essence



WE VALUE GOOD PROFESSIONALS WHO ARE GOOD PEOPLE



WE ARE DRIVEN BY RESULTS



WE INVEST IN TECHNOLOGY THAT MAKES IT POSSIBLE



WE BUILD LONG-TERM RELATIONSHIPS WITH OUR CLIENTS



WHEN WE COLLABORATE, WE BECOME STRONGER

### By geographic location (own units)

11,342 in Brazil



307 abroad



ARG



MEX



USA



COL

### By gender



61%



39%

### By leadership position



62%



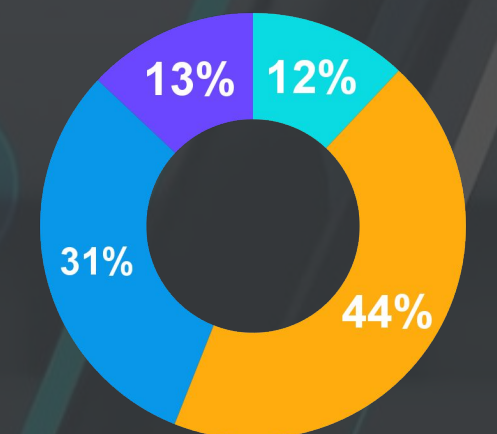
38%

### By generation

Generation Y	63%
Generation X	21%
Generation Z	15%
Baby boomers	1%

### By activity

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





04

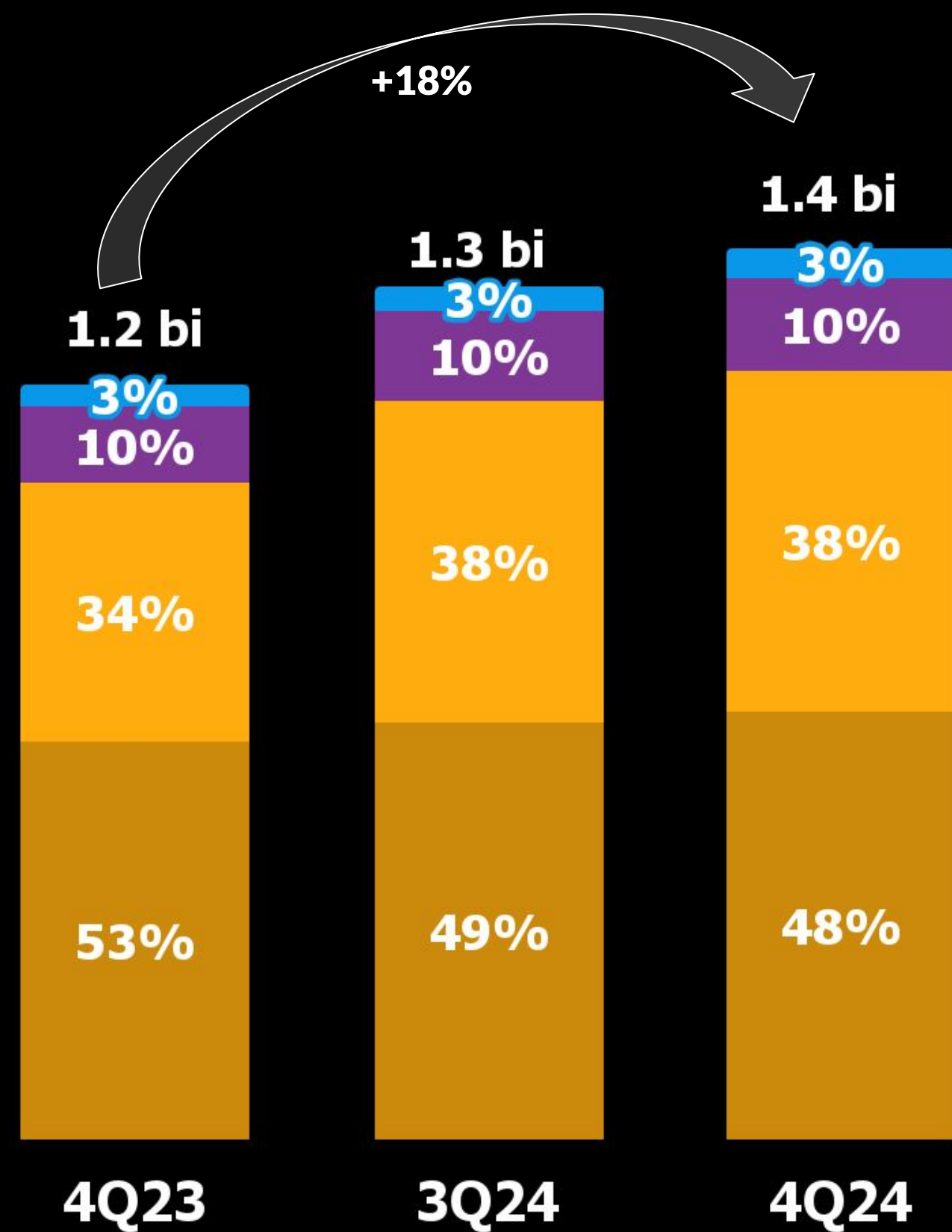
**QUARTER  
RESULTS**  
4Q24



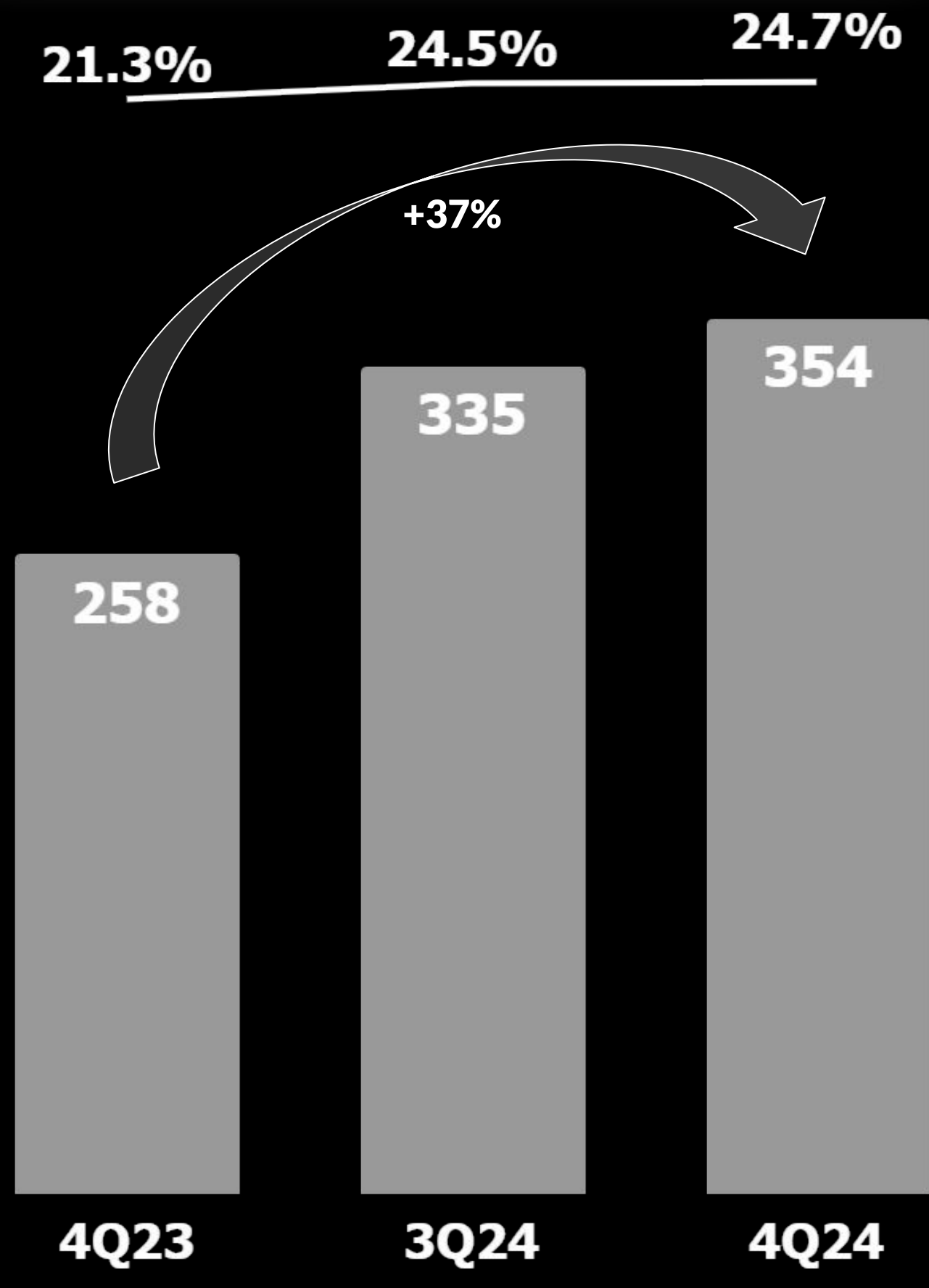
# /// 4Q24 - CONSOLIDATED RESULTS (R\$million)

4Q24 consolidated the turnaround in TOTVS' profitability

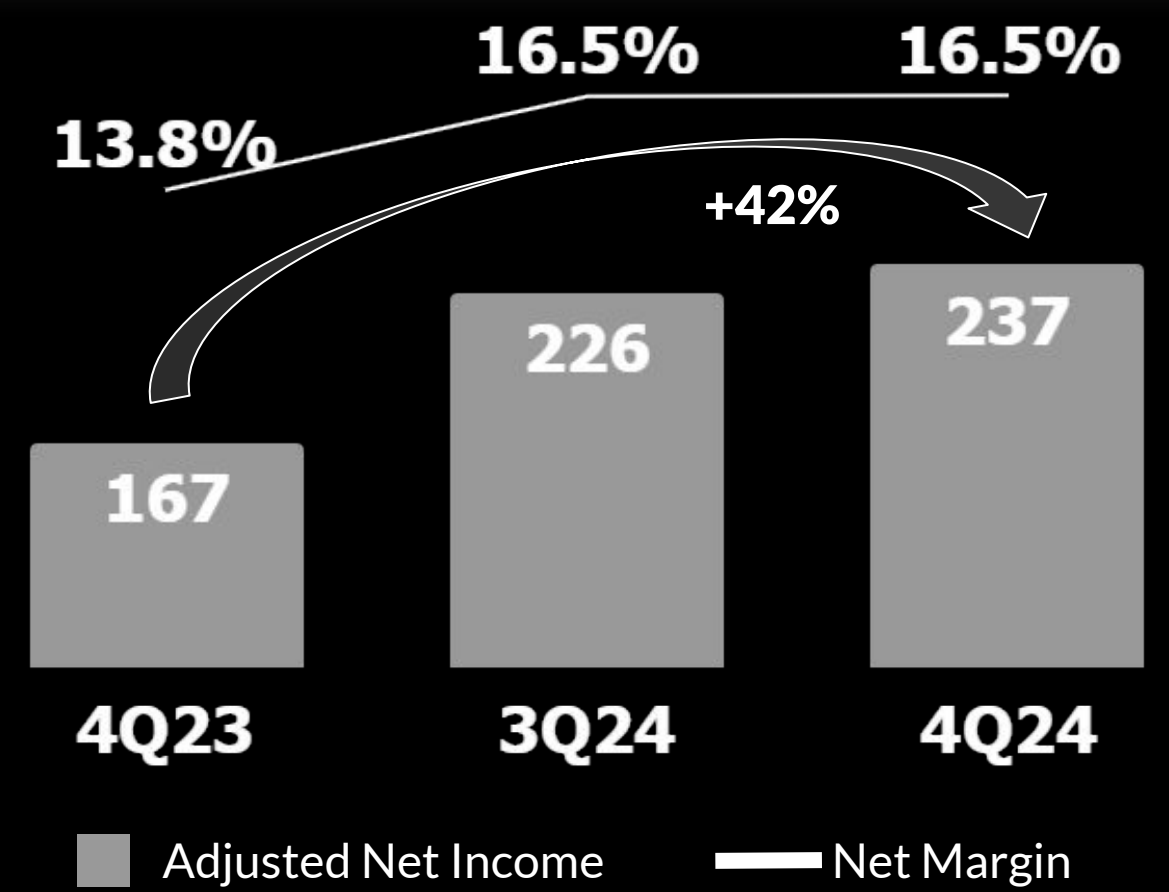
## NET REVENUE <sup>(1)</sup>



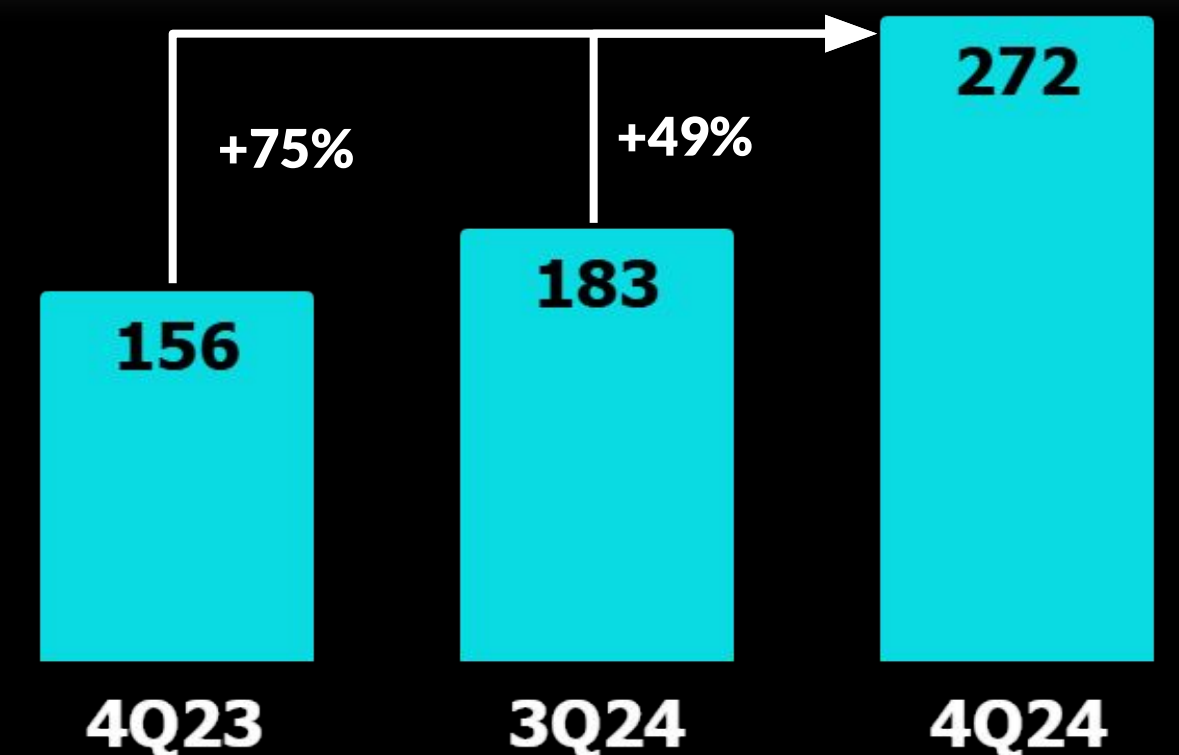
## EBITDA <sup>(2)</sup>



## ADJUSTED NET INCOME



## FREE CASH FLOW



■ Techfin ■ RD ■ SaaS Mgmt ■ Other Mgmt

■ Adjusted EBITDA — Adjusted EBITDA Margin

■ Adjusted Net Income — Net Margin

■ 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)

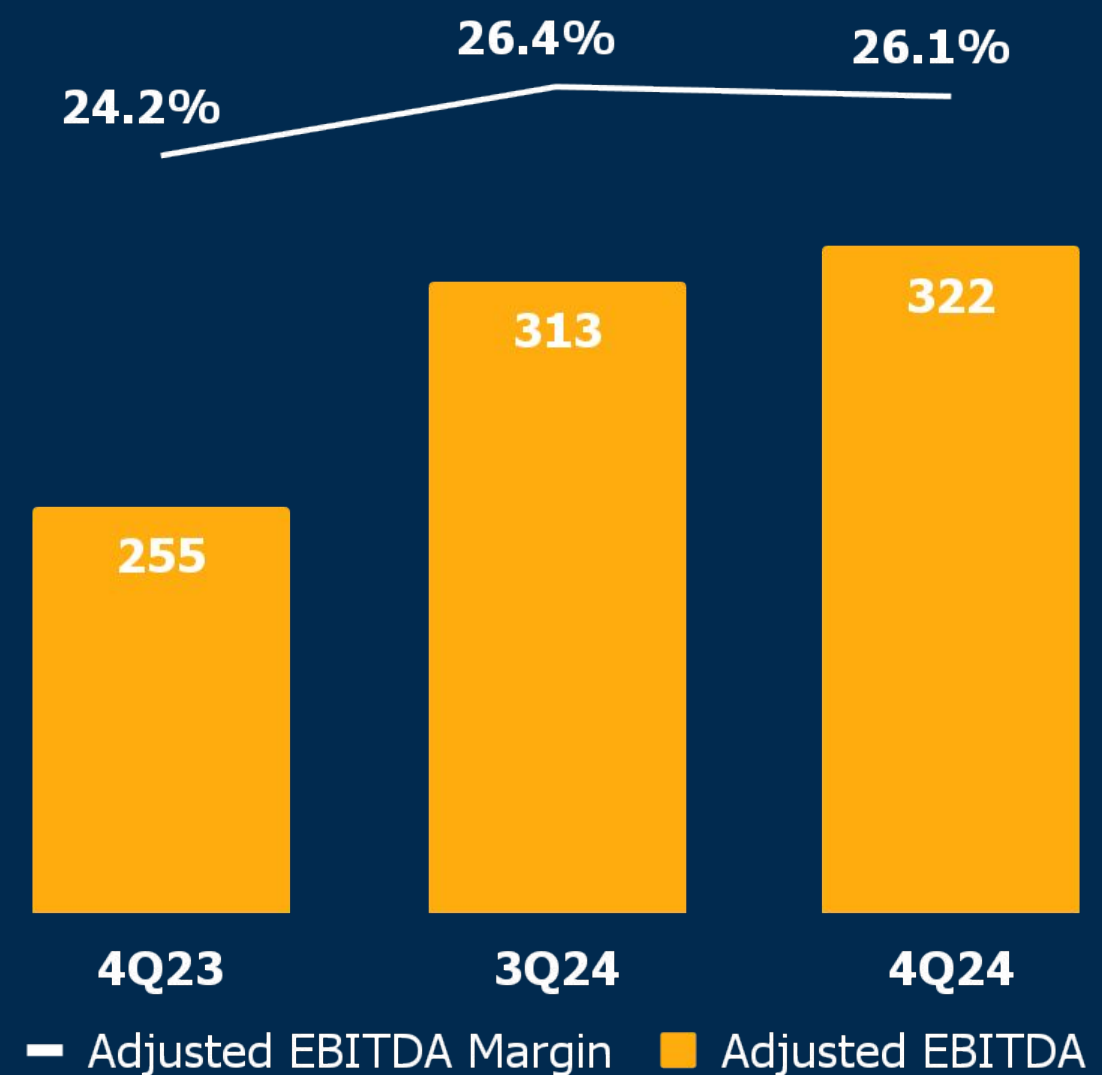
## RETENTION RATE

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

% Recurring Revenue: 89%

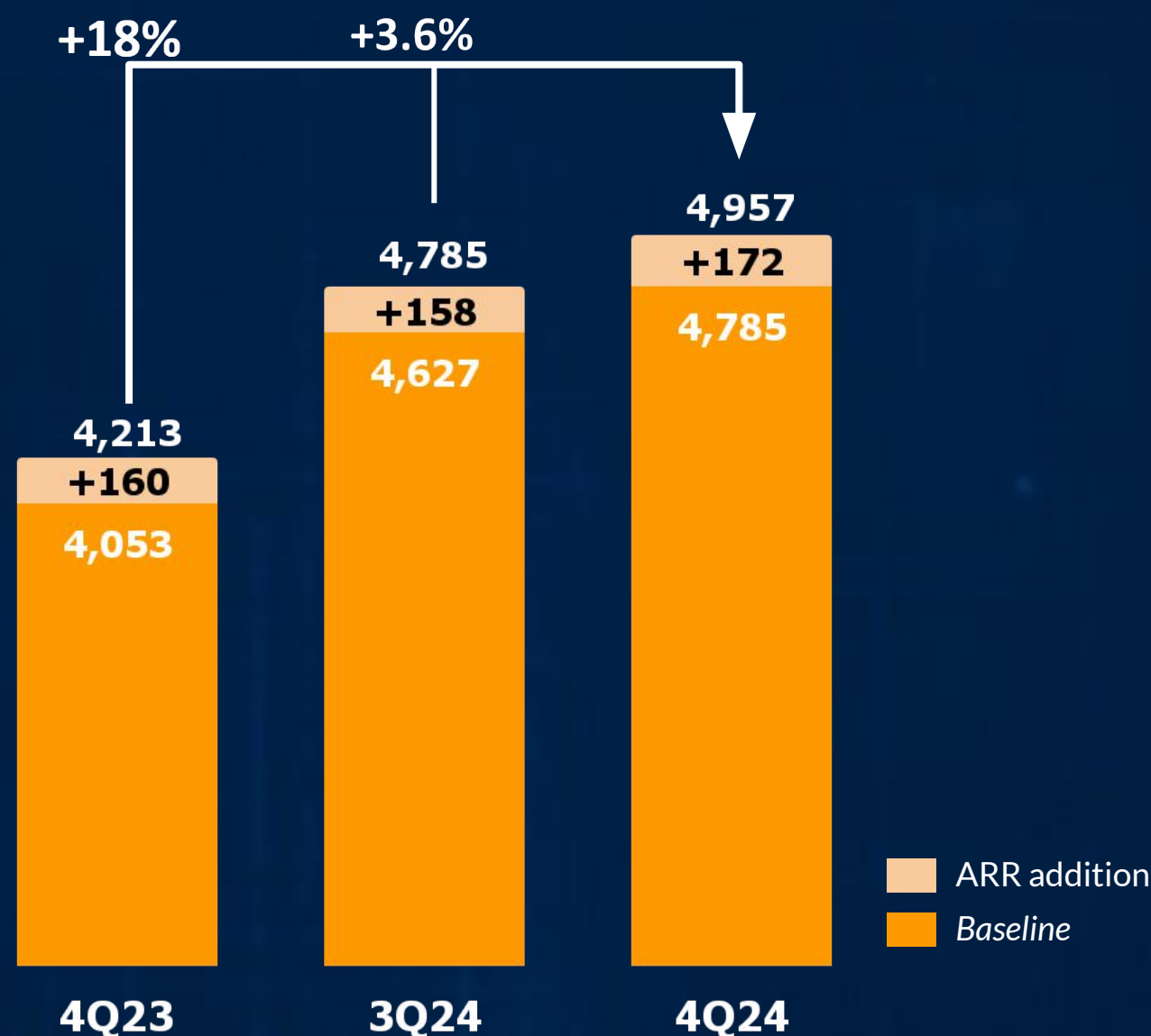
Cloud Revenue: +32% vs. 4Q23

## Adjusted EBITDA (R\$ million)

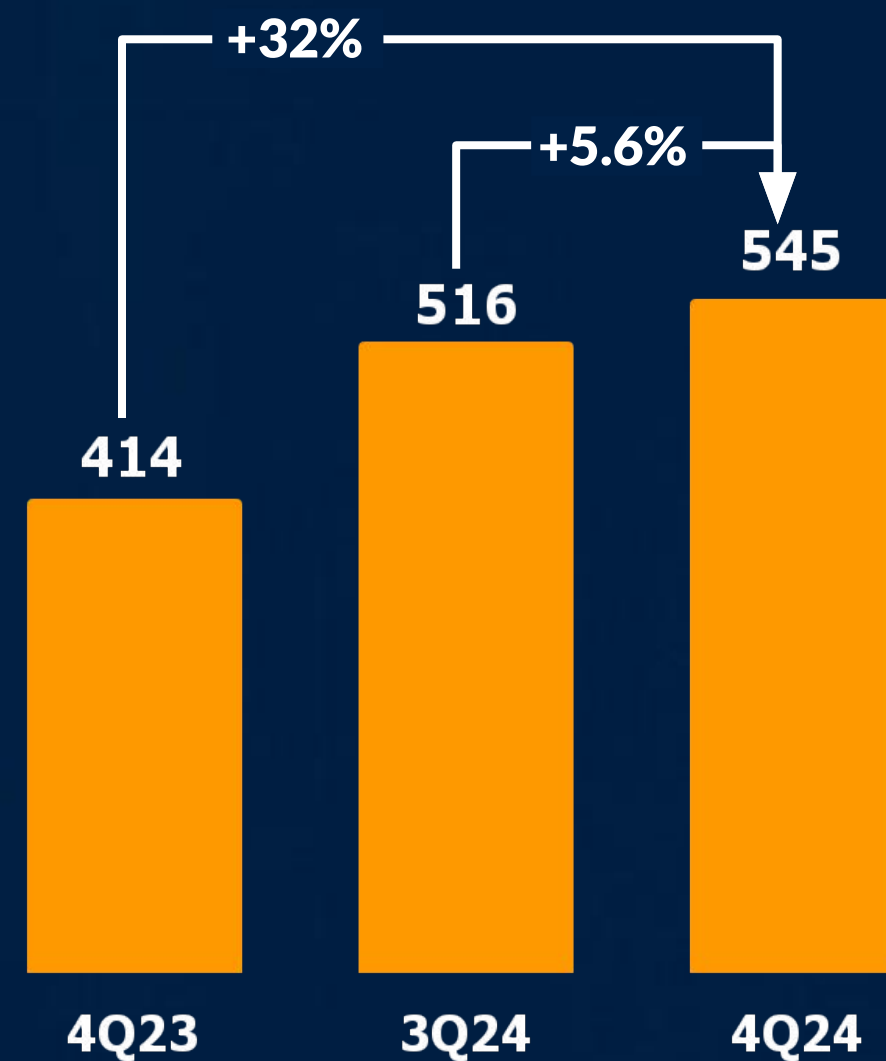


- Driven by the sequential increase in recurring revenue, the convergence of the IGP-M to the IPCA and the progress in the integration of recent acquisitions, which initially reduced the average Management margin. The Management Adjusted EBITDA in 4Q24 showed new evolution in profitability this quarter.

## ARR (R\$ million)



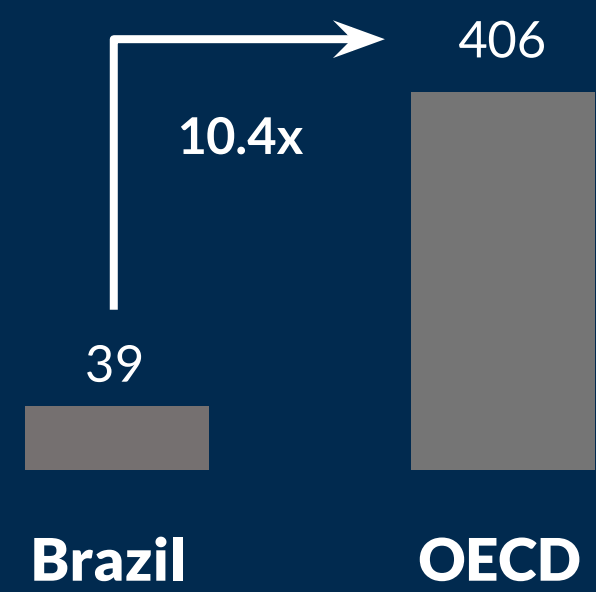
## SaaS (R\$ million)



## MARKET:

Low digitization, but with high growth

Mgmt Software Expenditure / Employee (USD) 2023<sup>(1)</sup>



## 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

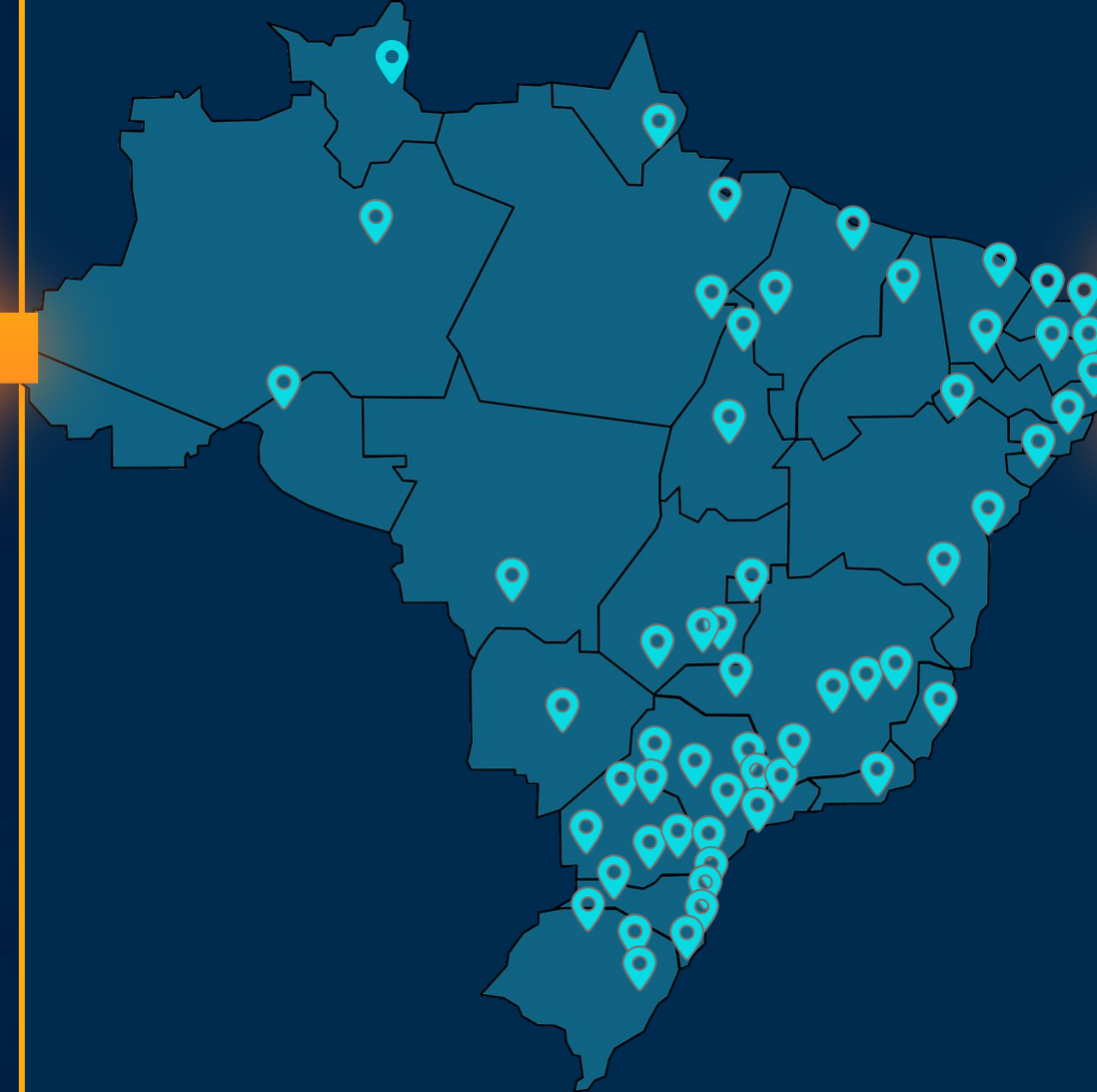


AI and Data

## 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

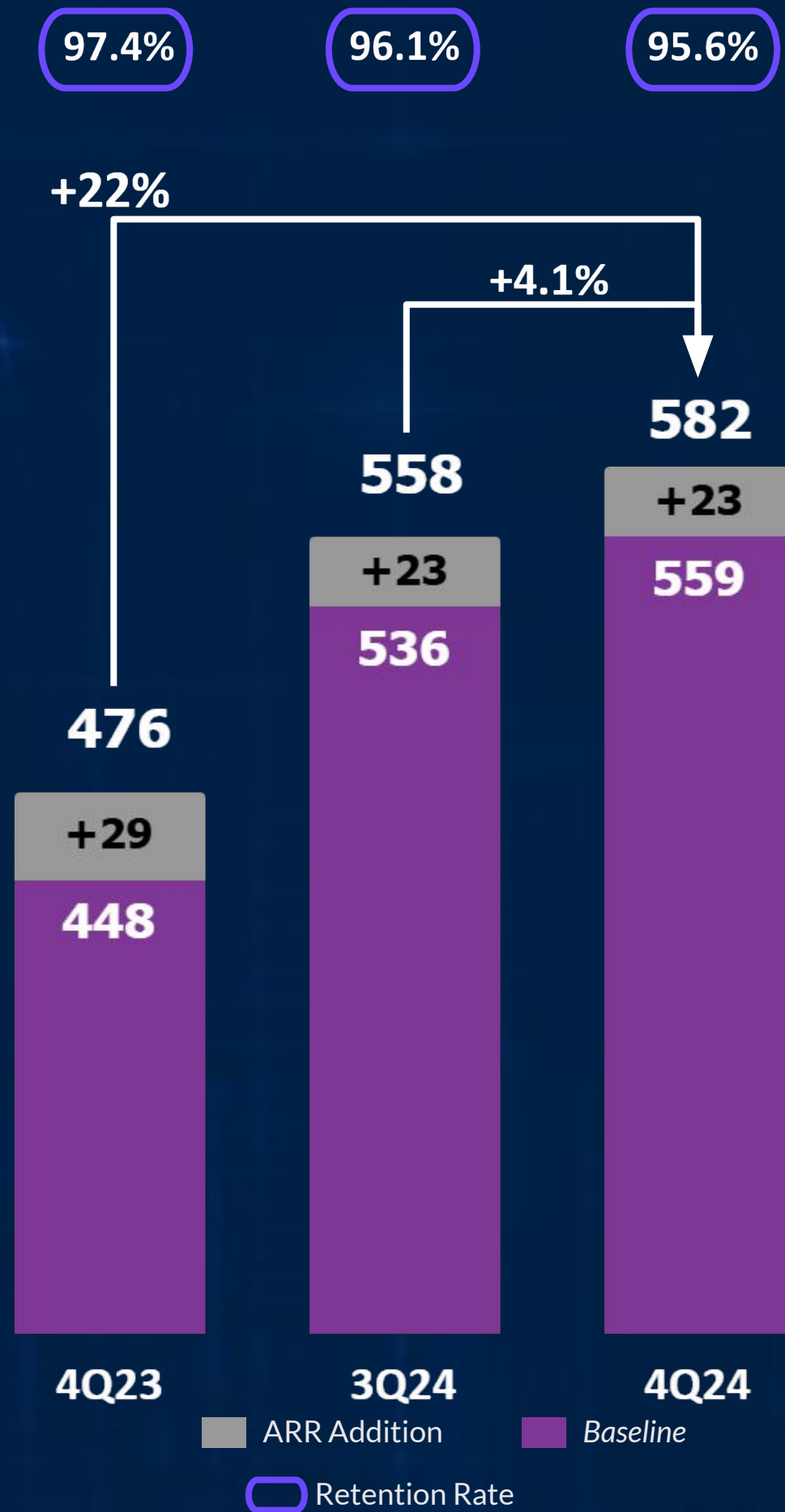
	100%	100%	133%
	132%	115%	138%
	129%	160%	189%
	154%	138%	173%
	162%	173%	190%
	180%	204%	
	2022	2023	2024

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

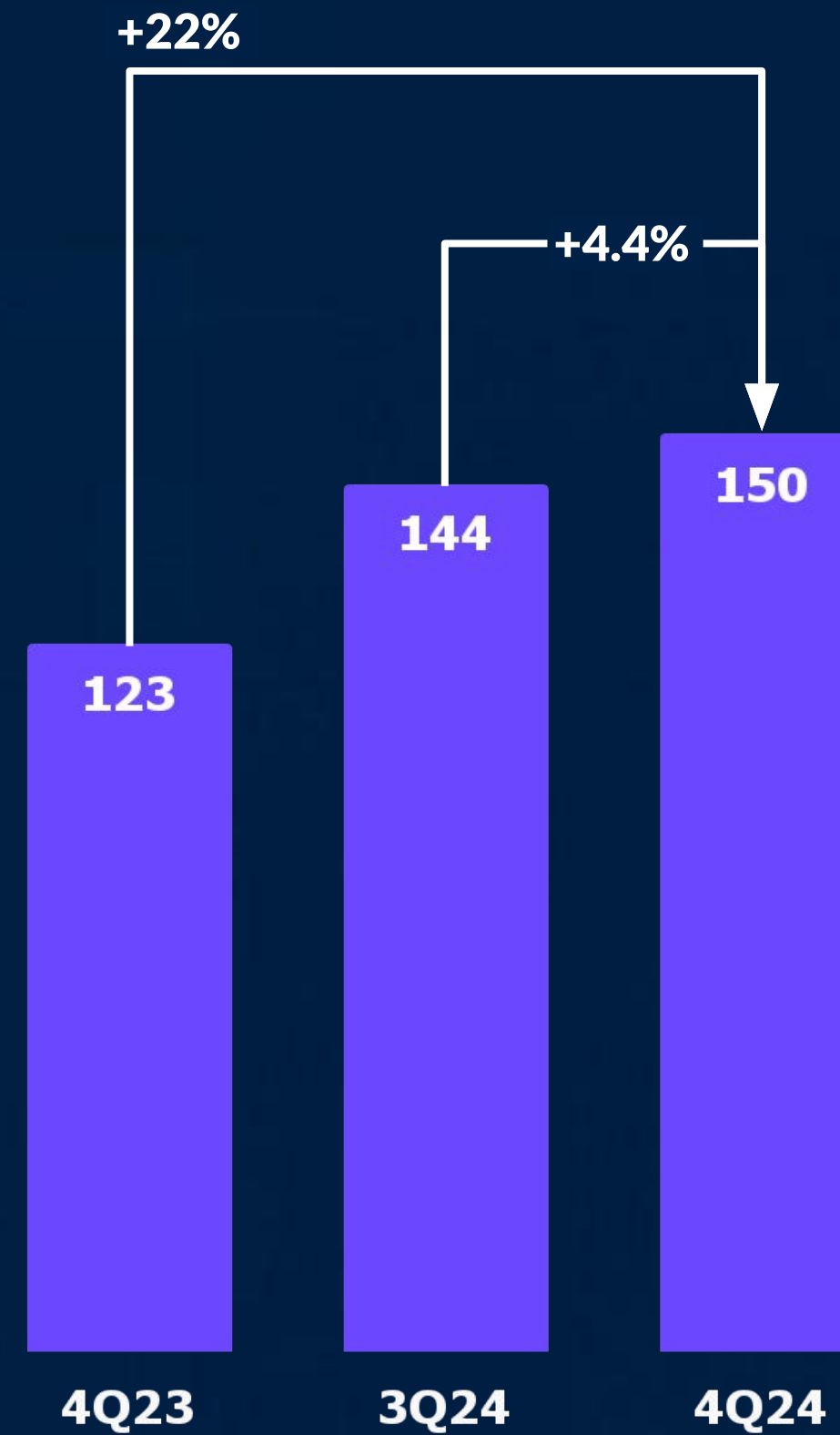
<sup>(1)</sup> Source: World Bank, OECD, TOTVS

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

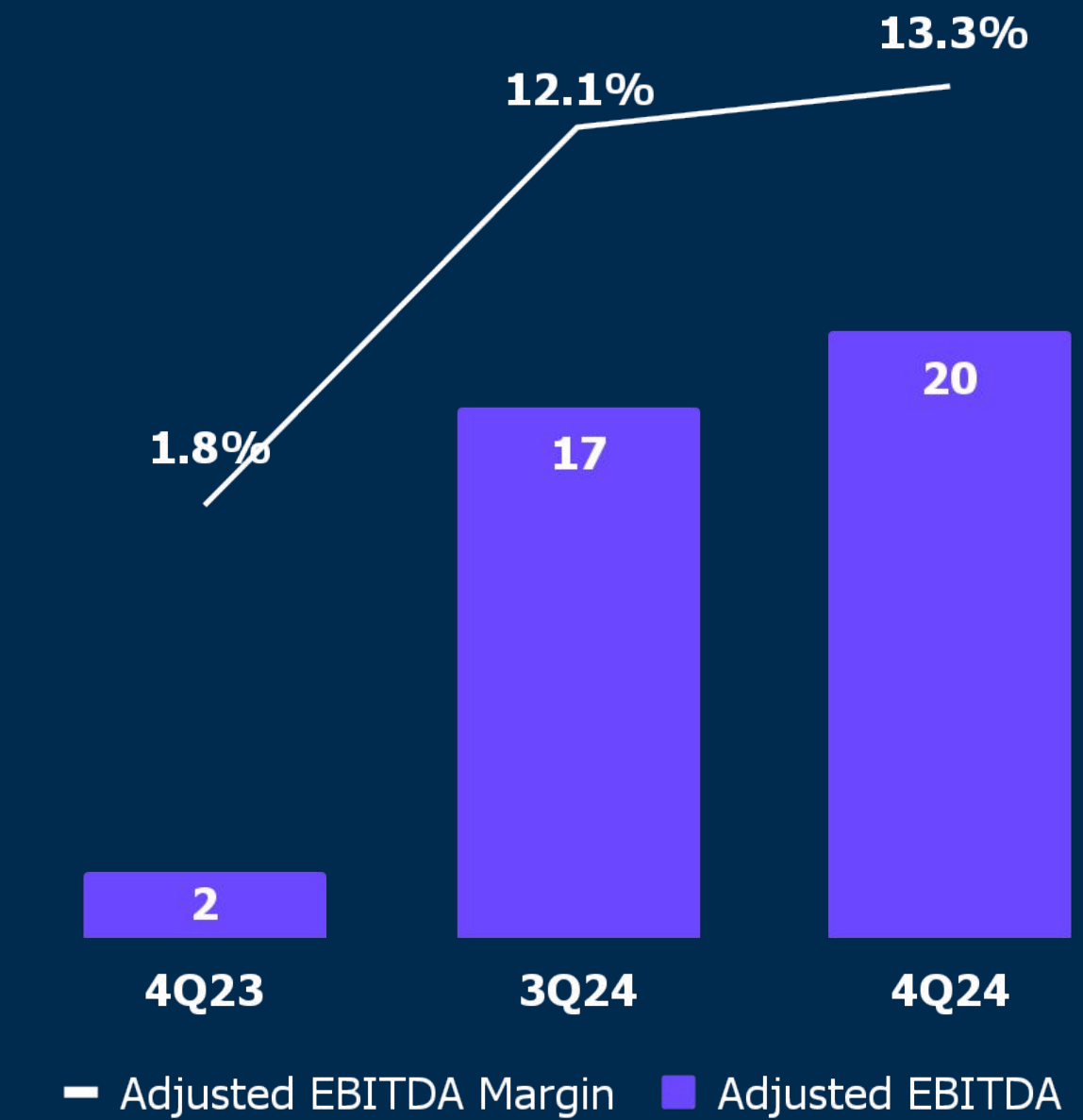
## ARR (R\$ million) and RETENTION RATE



## 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



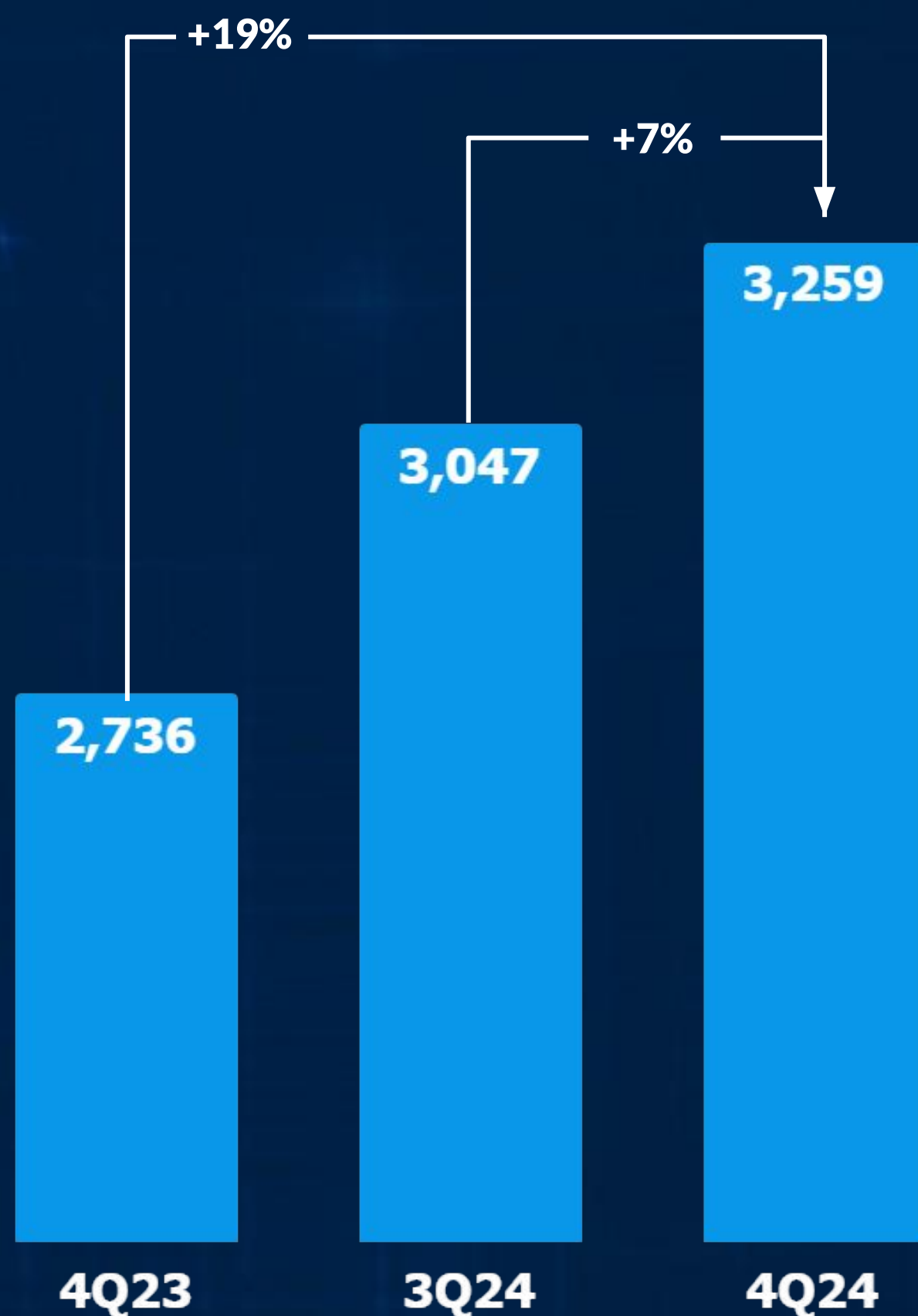
Multi-Product RD + Management

Accelerate the integrated product journey with TOTVS

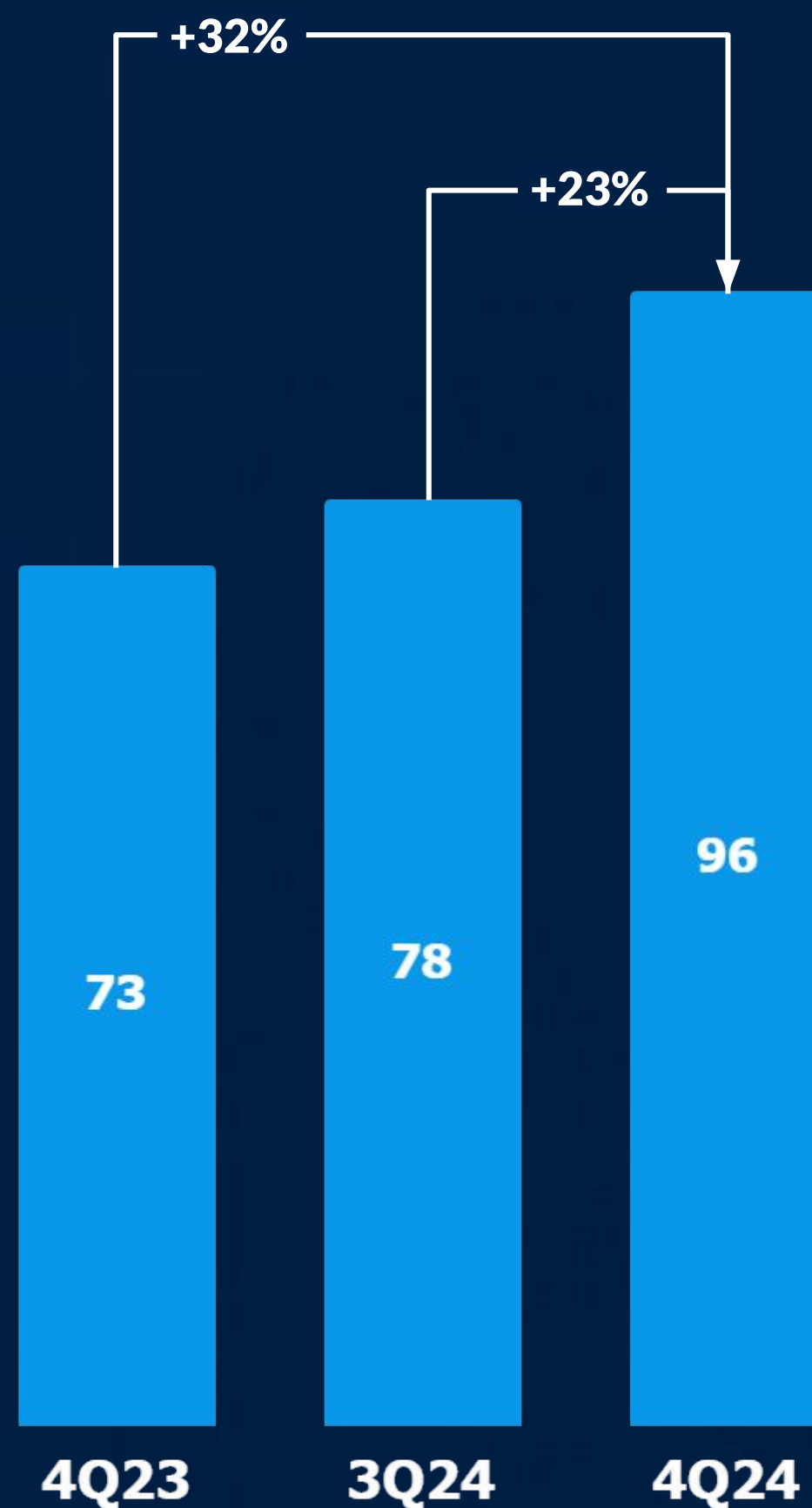


4Q24 EBITDA reinforces the view that *Techfin* has already crossed the inflection point of the profitability “J” curve

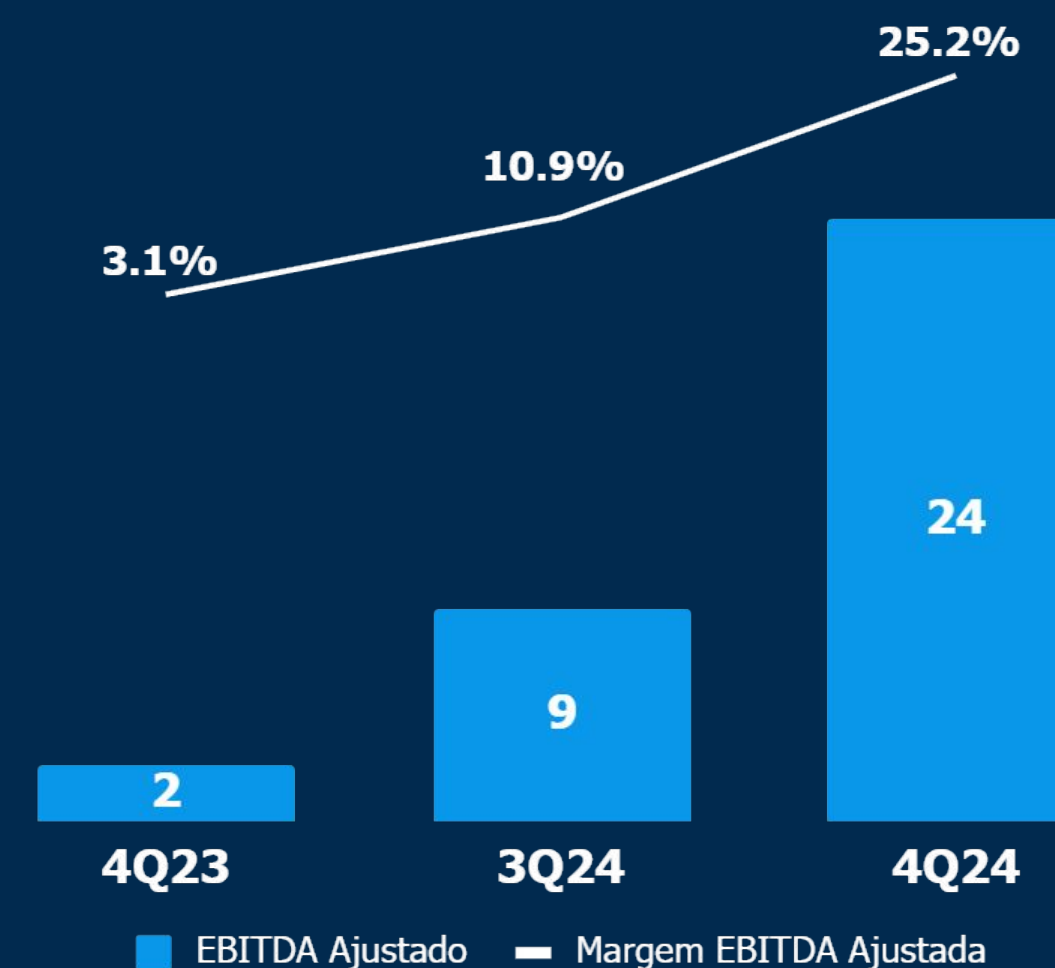
## Credit Production (R\$ million)



## 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.

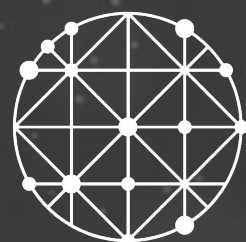


## Ethical and Responsible Governance

# FitchRatings

Reaffirmation of AA+(bra) rating

# MSCI



Leadership in risk and opportunity management, with an AA score

# ISS



Score 1, lowest risk level

## People



**National Ranking**  
18<sup>th</sup> place among the 175 best large companies

# IGPTWB3

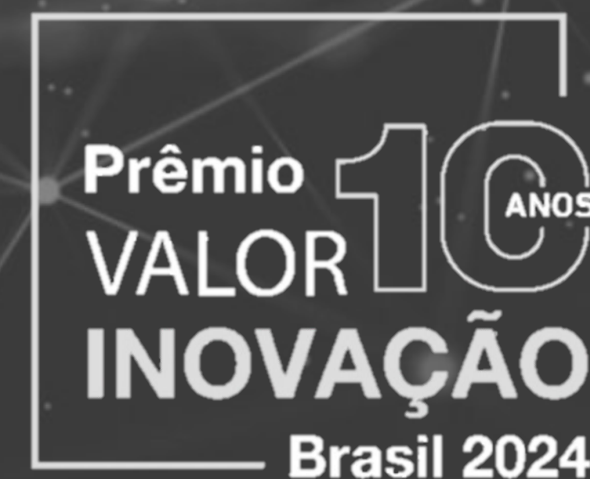
# IDIVERSA B3

# ICO2 B3

## Reputation and Image

# KANTAR

Among the 50 most valuable brands in Brazil



Among the 150 most innovative companies

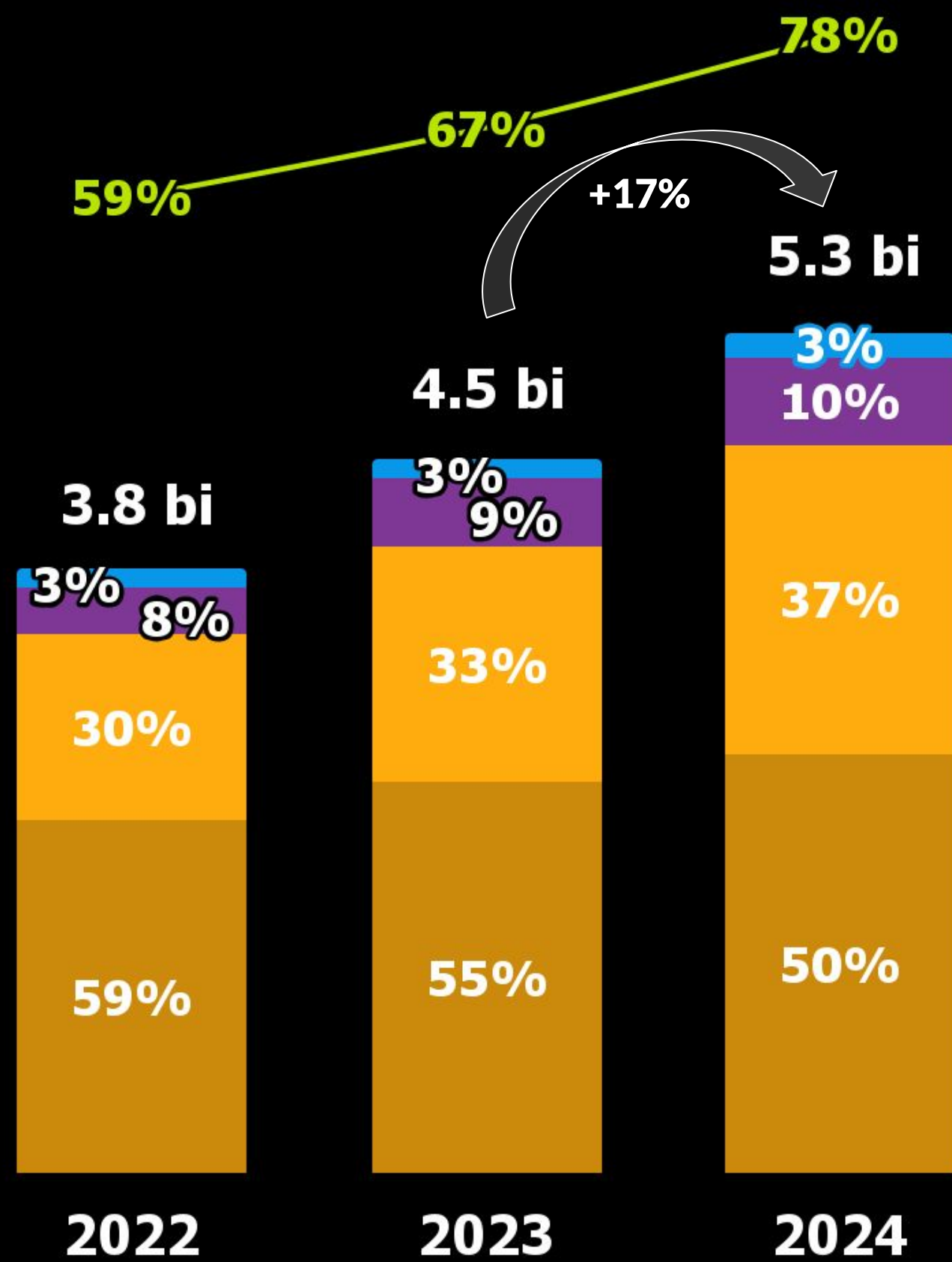
# thedotgood.

Among the 200 best social organizations in the world



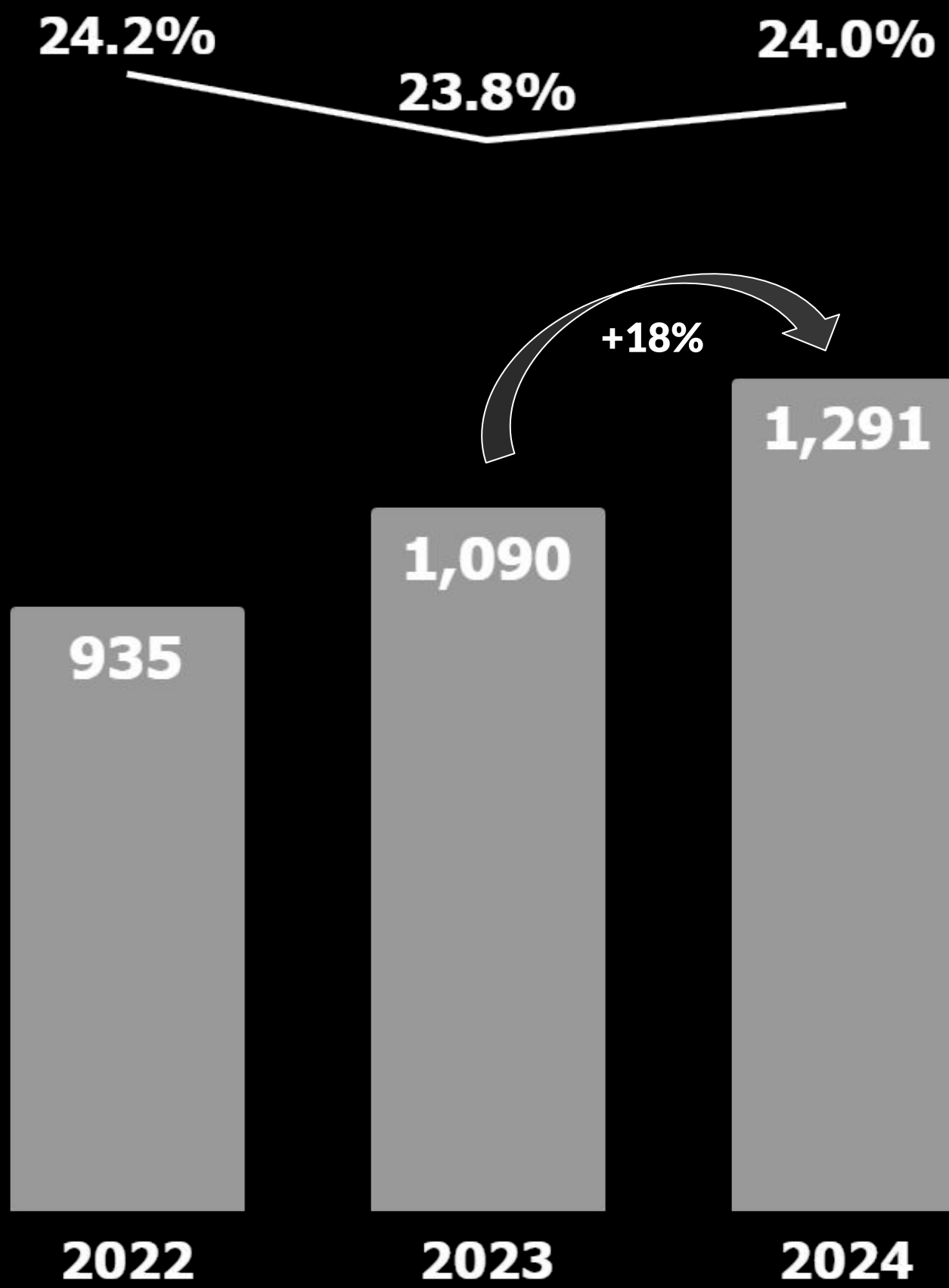
2024 year consolidated a turnaround in the Company's profitability

## NET REVENUE <sup>(1)</sup>



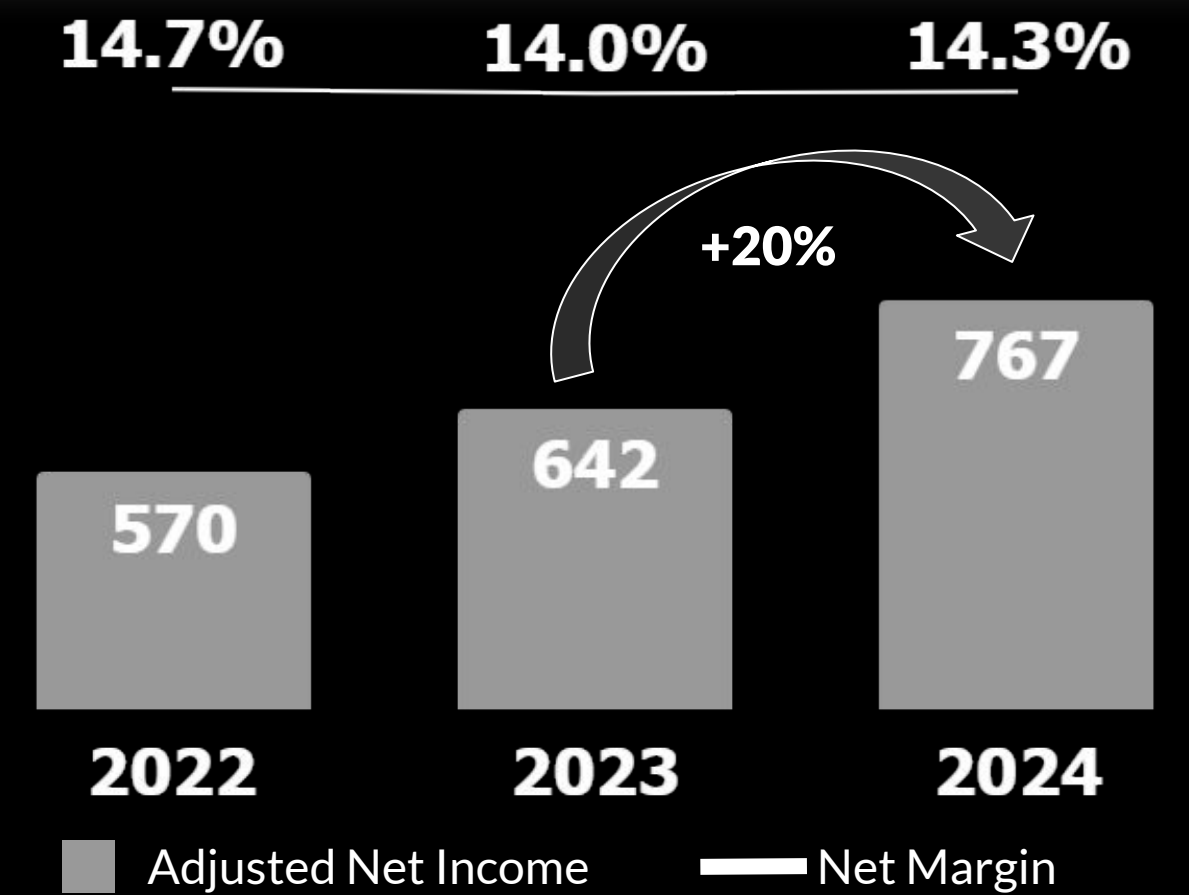
■ Techfin    ■ SaaS Mgmt    — Participation in Absolute Growth  
■ Other Mgmt    ■ RD    — SaaS Mgmt+RD+Techfin

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



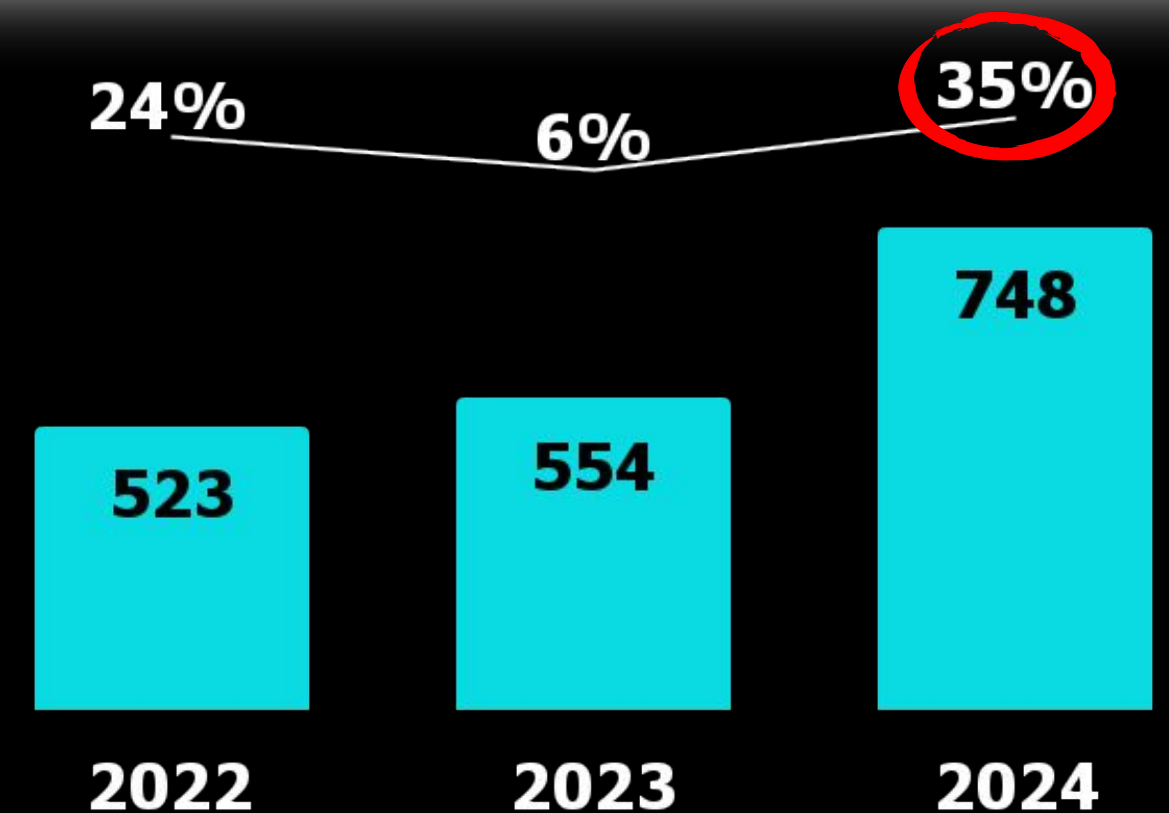
■ Adjusted EBITDA    — Adjusted EBITDA Margin

## ADJUSTED NET INCOME



■ Adjusted Net Income    — Net Margin

## FREE CASH FLOW

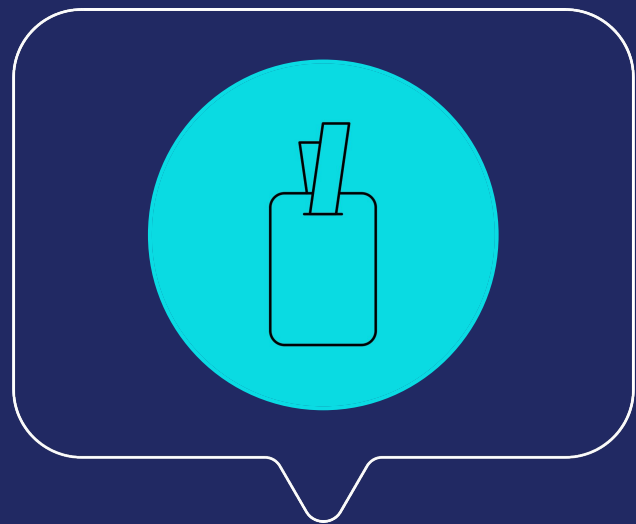


■ Free Cash Flow    — YoY growth

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



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



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



[/totvs](https://discord.com/channels/123456789/123456789)



[/totvs](https://www.youtube.com/channel/UC123456789)



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



[totvs.store](https://www.totvs.store)

O Brasil

que

faz

faz

com

 **TOTVS**