



EARNINGS VIDEO CONFERENCE 2Q24

» Investor Relations

Dennis Herszkowicz - CEO
Gilsomar Maia - CFO
Sérgio Sérgio - IR Head

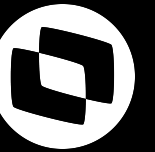
2024/ August



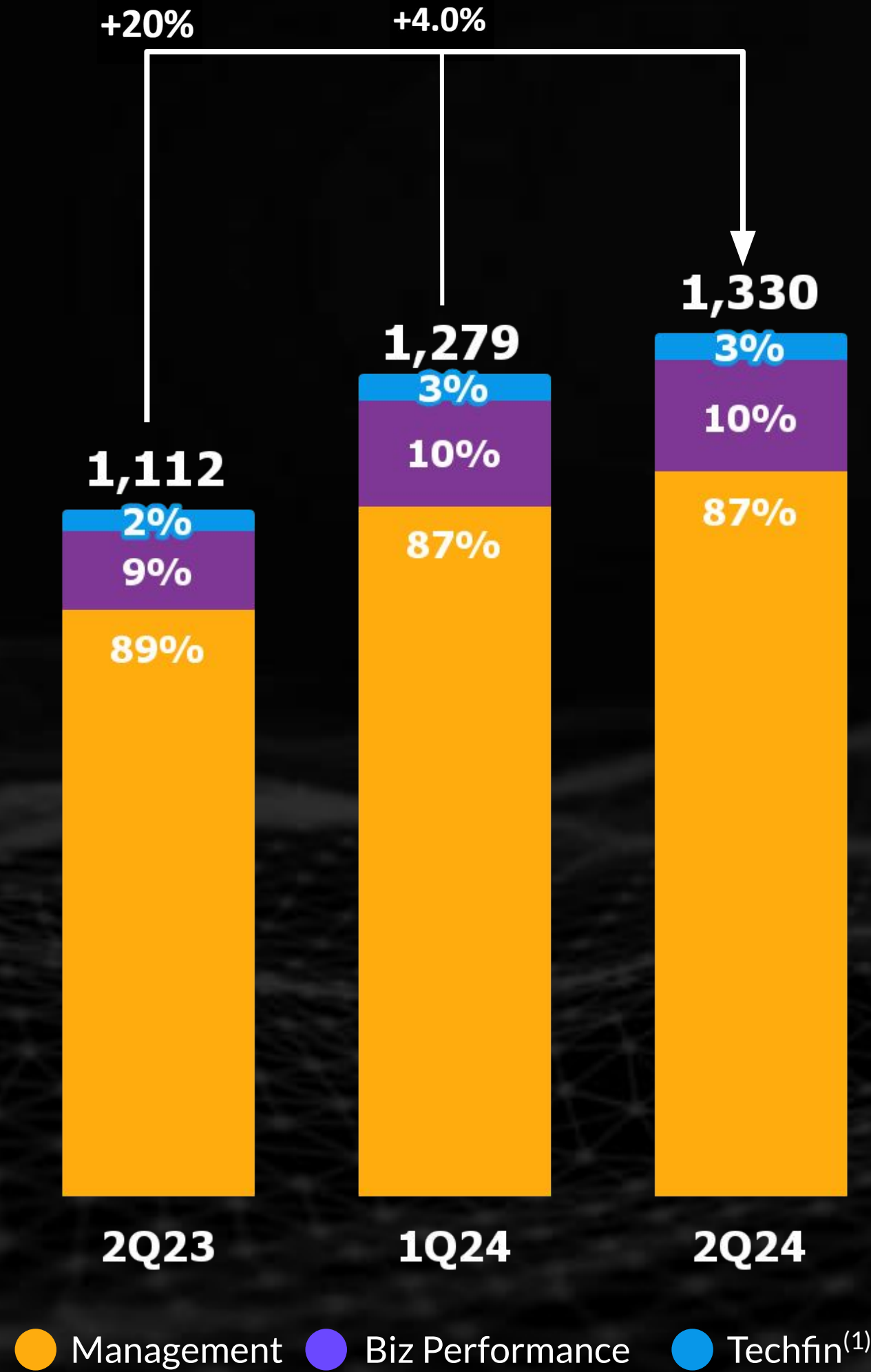
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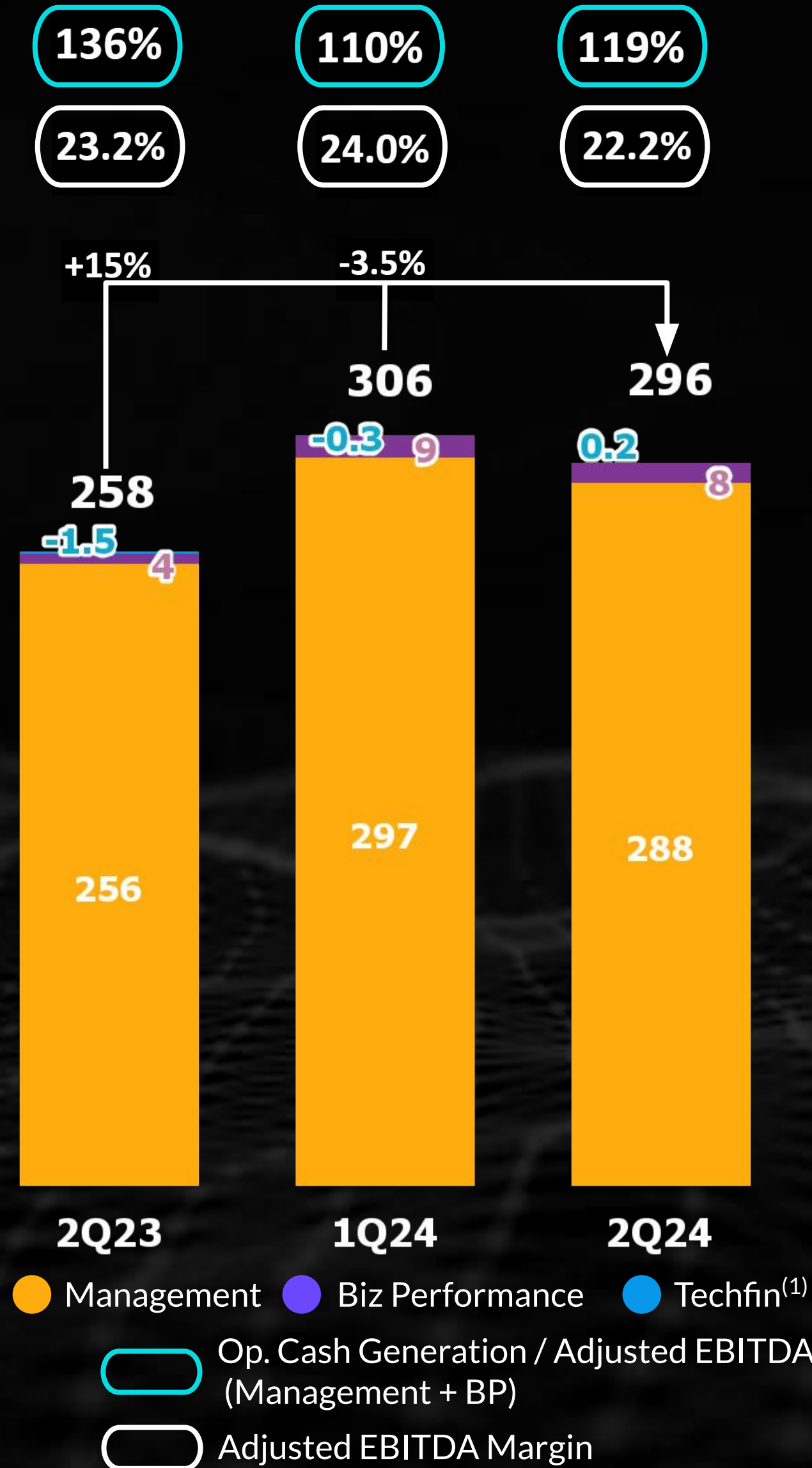
2Q24 - CONSOLIDATED RESULTS (R\$million)



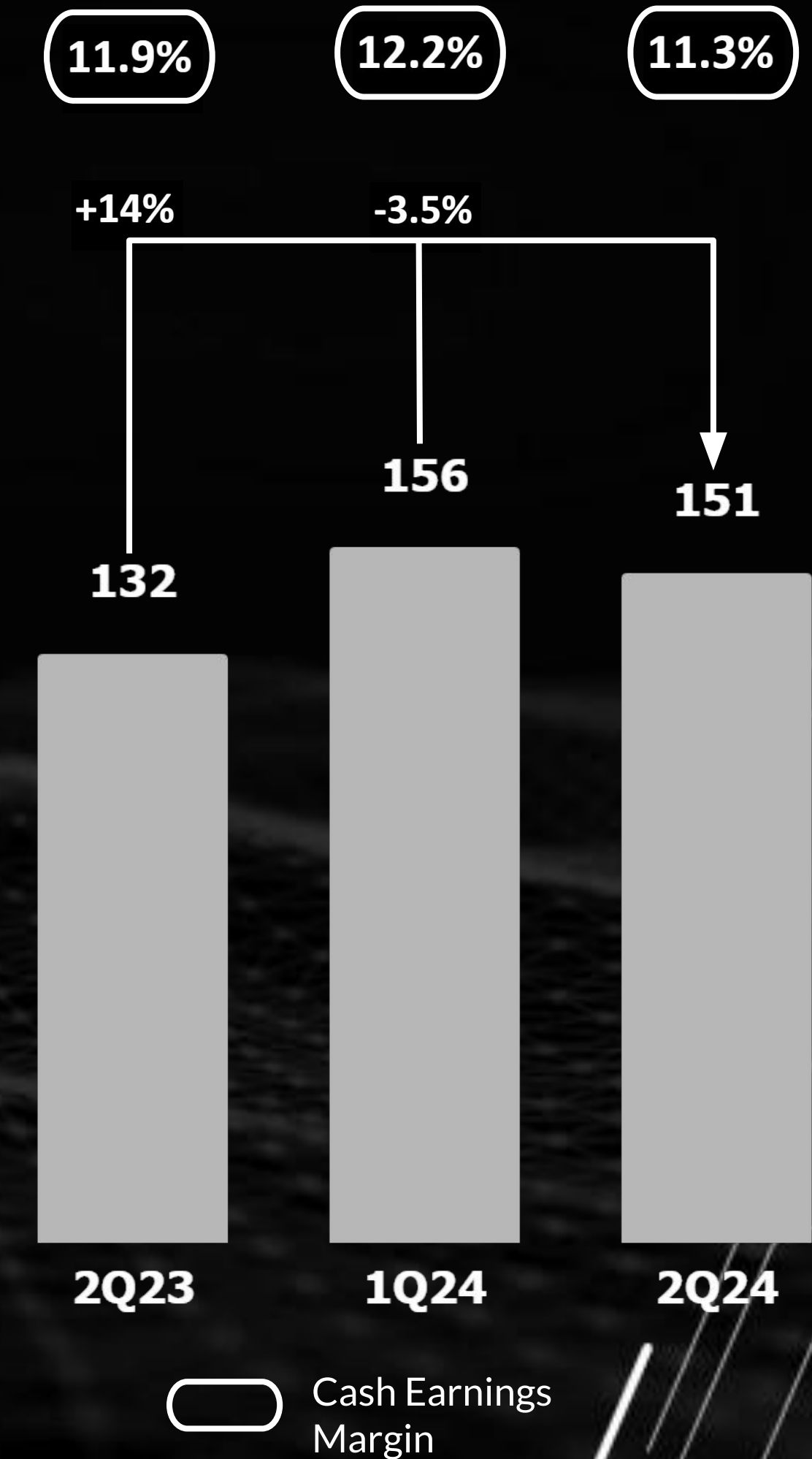
NET REVENUE



ADJUSTED EBITDA ⁽²⁾



CASH EARNINGS



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

20% growth of Recurring Revenue vs 2Q23, with acceleration in SaaS Revenue growth and highlighting the record for Volume Addition in 2Q24

RECURRING REVENUE
+R\$ 1 billion (+20% vs 2Q23)

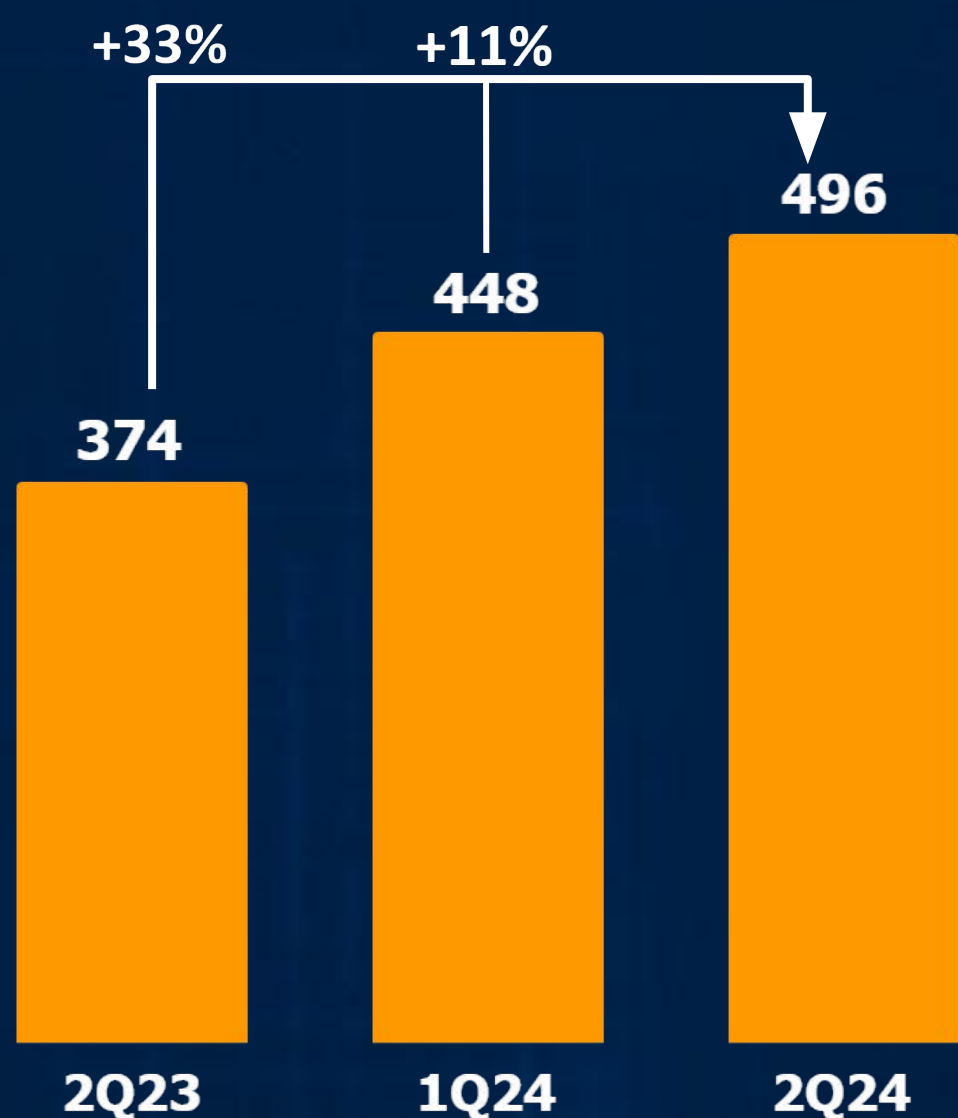
% Recurring Revenue: 88%
Cloud Revenue: +31% vs. 2Q23
Signings SaaS: +33% vs. 2Q23

ARR NET ADDITION
R\$149 million

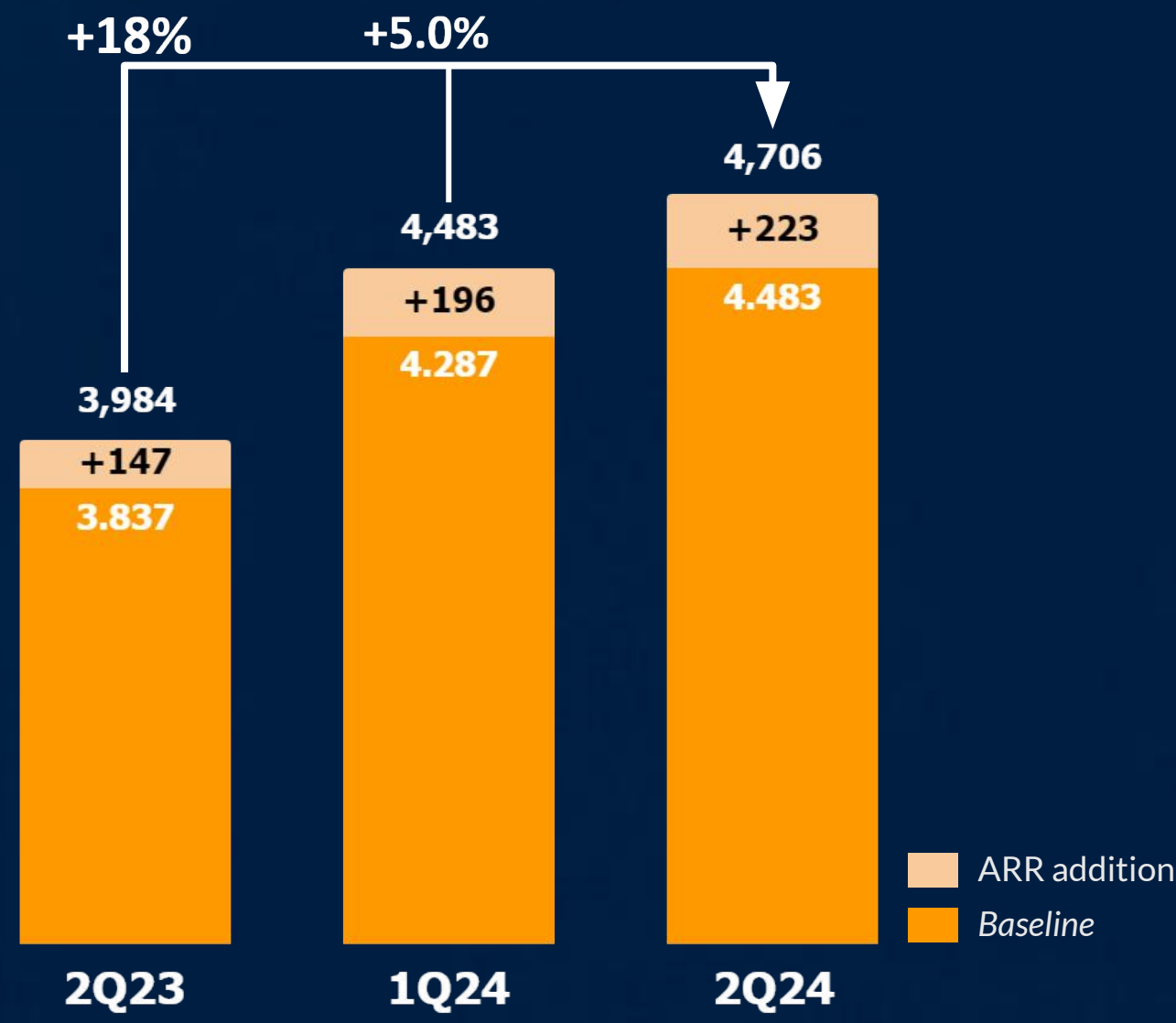
RENEWAL RATE

2Q23	1Q24	2Q24
98.3%	98.7%	98.2%

SaaS - MANAGEMENT (R\$ million)



ARR (R\$ million)



Highlights

Net ARR Addition (R\$million)

Quarter	ARR Net Addition	Corporate Model Addition	Inorganic Addition	Total Net ARR	Renewal Rate
1Q23	+147	-	-	+147	85%
2Q23	+139	-	-	+139	88%
3Q23	+164	-	-	+164	86%
4Q23	+142	+20	+34	+196	85%
1Q24	+149	-	+74	+223	83%

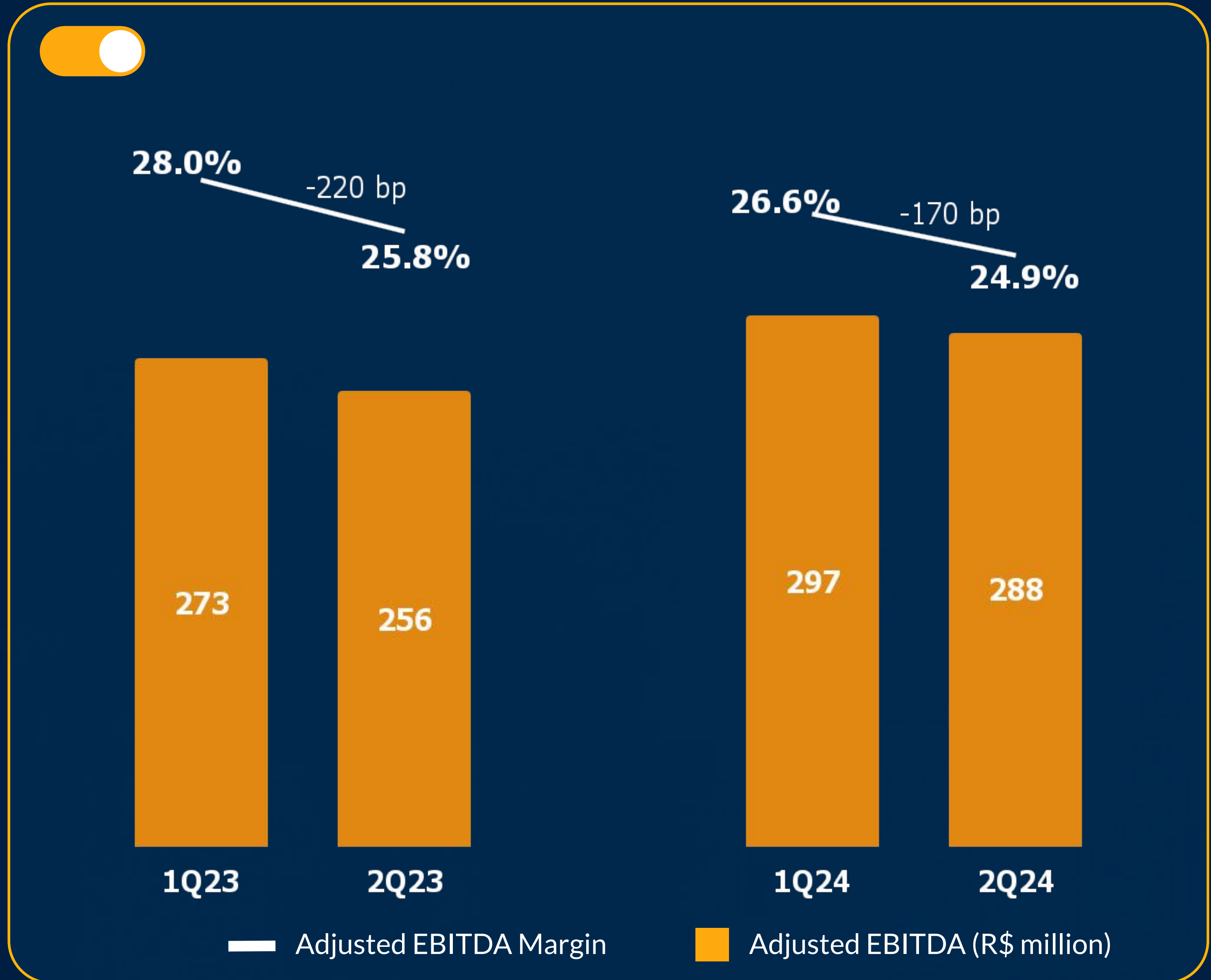
— % Volume excl. Corporate Model LTM ■ Inorganic Addition
 ■ Corporate Model Addition ■ ARR Net Addition

- The sustained good performance of sales Volume versus the recent behavior of inflationary indices made the LTM Volume component in the addition of ARR remain above 80%

EBITDA

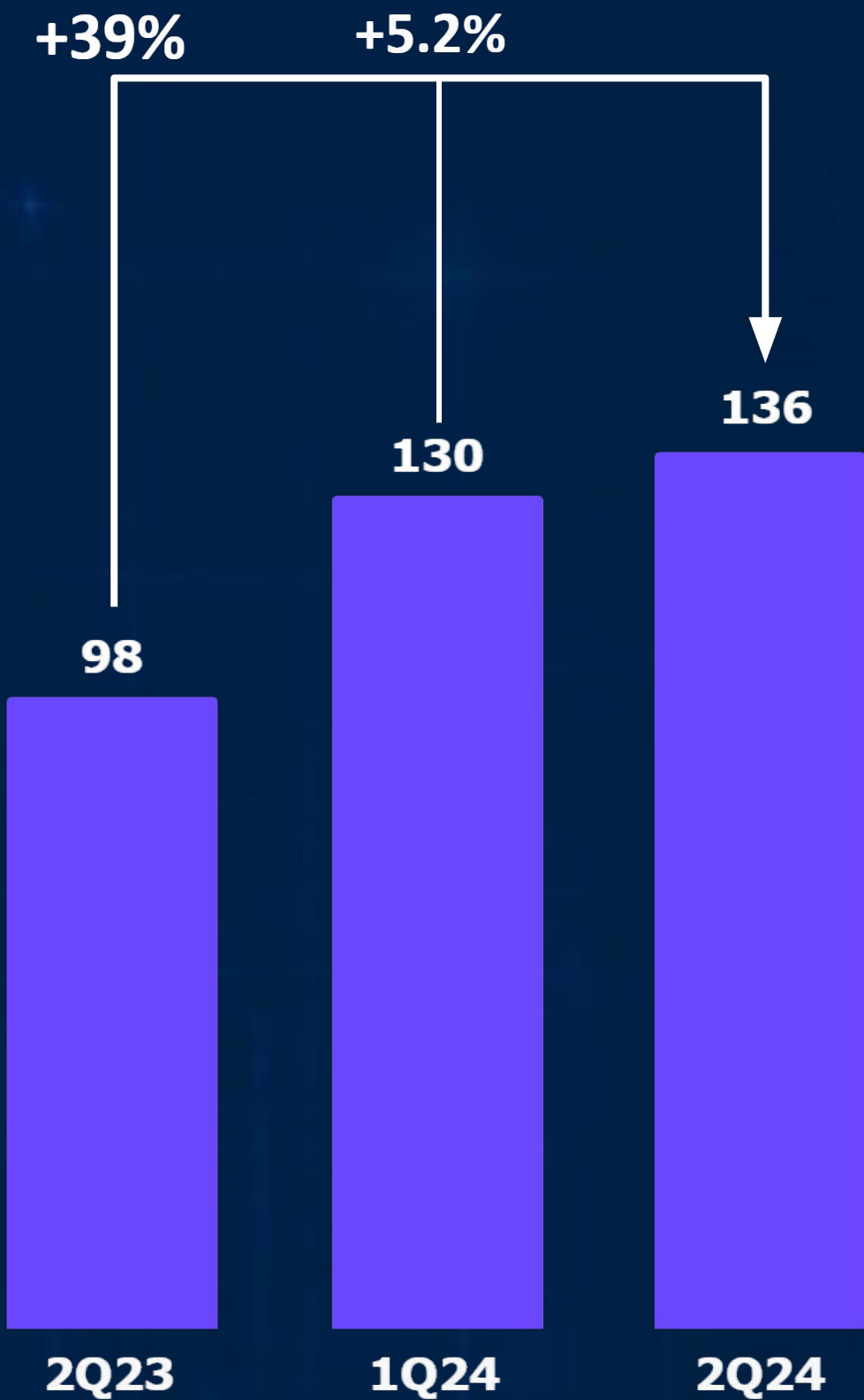
Adjusted EBITDA from Management dimension grew 13% compared to 2Q23, with EBITDA Margin at 24.9%, 90 basis points lower than in 2Q23, mainly due to the impact of a negative IGP-M of the pass-through of inflation in Recurring Revenue, in the last periods.

The seasonal decline between Q1 and Q2 was 50 points better in 2024 compared to 2023, despite the higher investments this year in the "Universo TOTVS" event and new advertising campaign, focused on brand building.

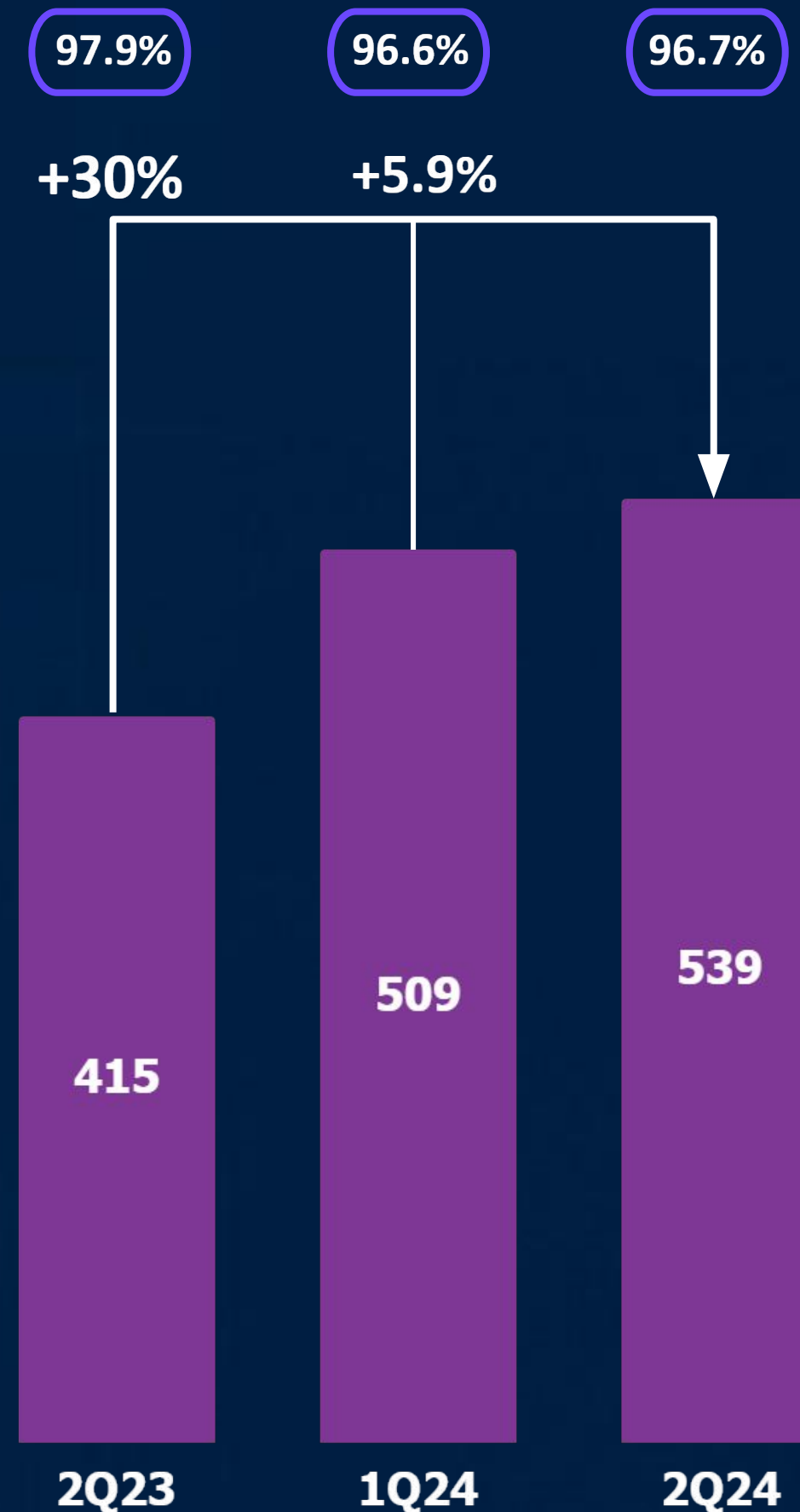


Recurring Revenue increased 40% year-over-year, mainly due of Net ARR Addition that included the acceleration in sales of RD Station Conversas, CRM and Marketing

NET REVENUE (R\$million)



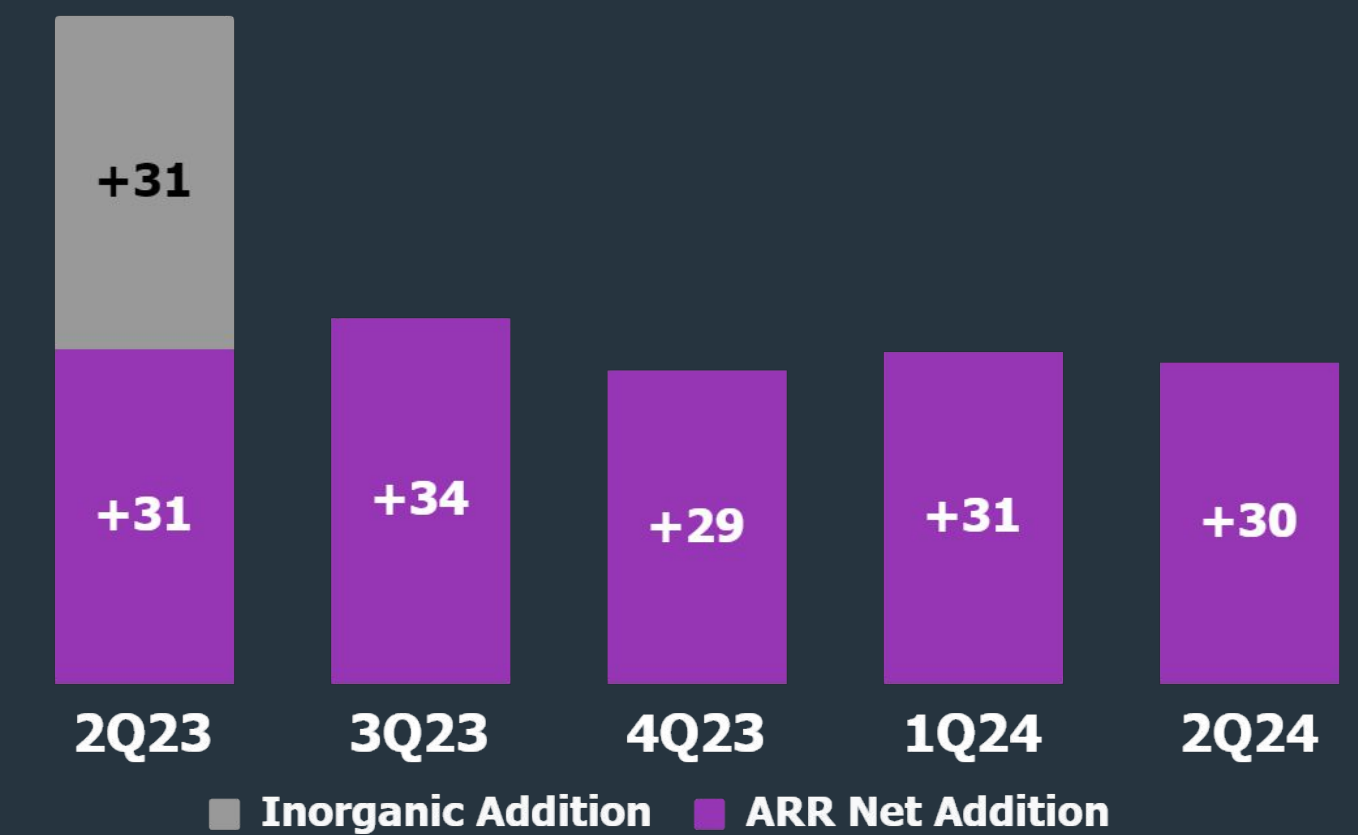
ARR (R\$ million) and RENEWAL RATE



■ Baseline □ Renewal Rate

Highlights

Net ARR Addition (R\$million)

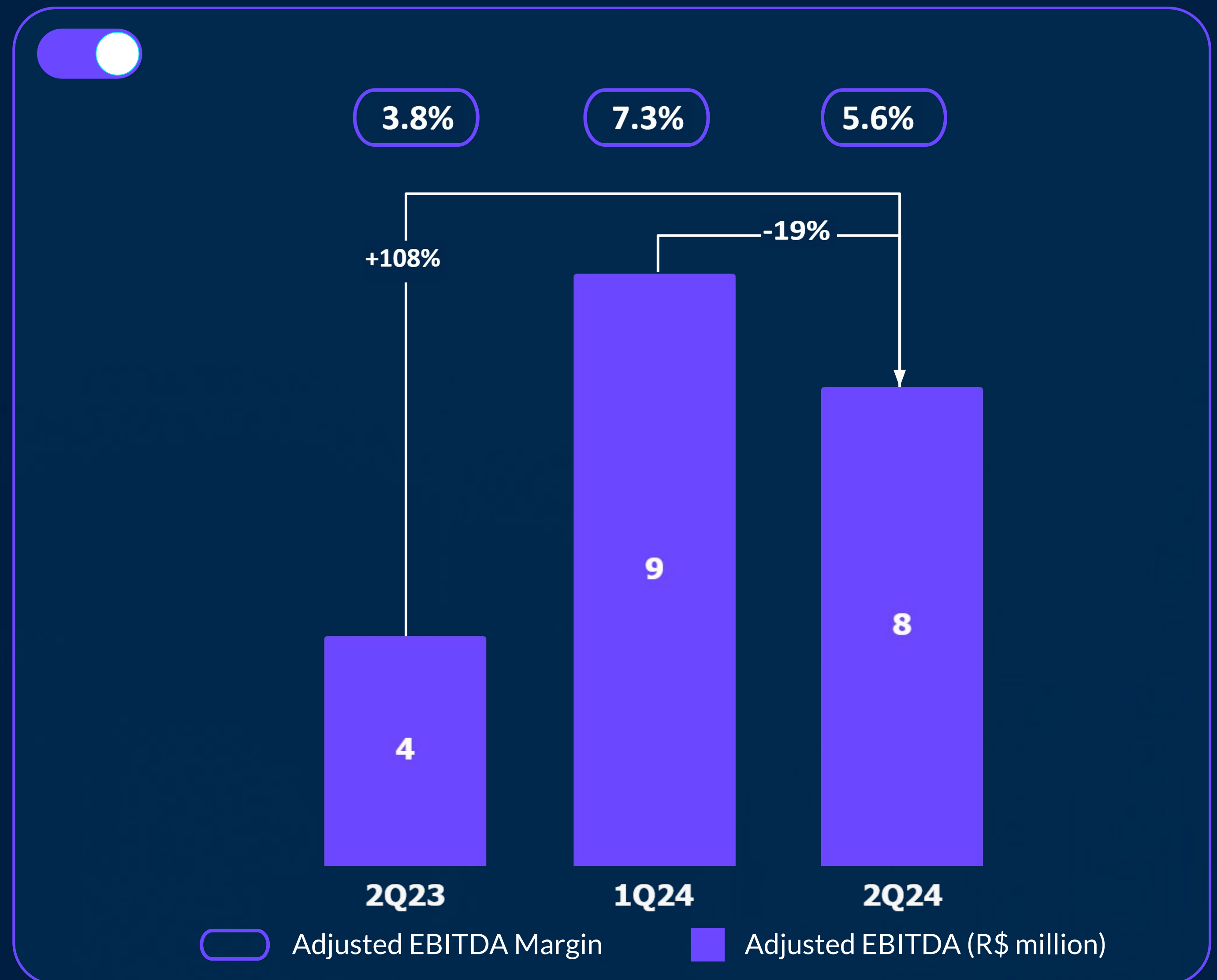


- The organic Net Addition of R\$30 million took the Business Performance ARR to R\$539 million, registering an increase of 30% compared to 2Q23 and 5.9% compared to 1Q24

EBITDA

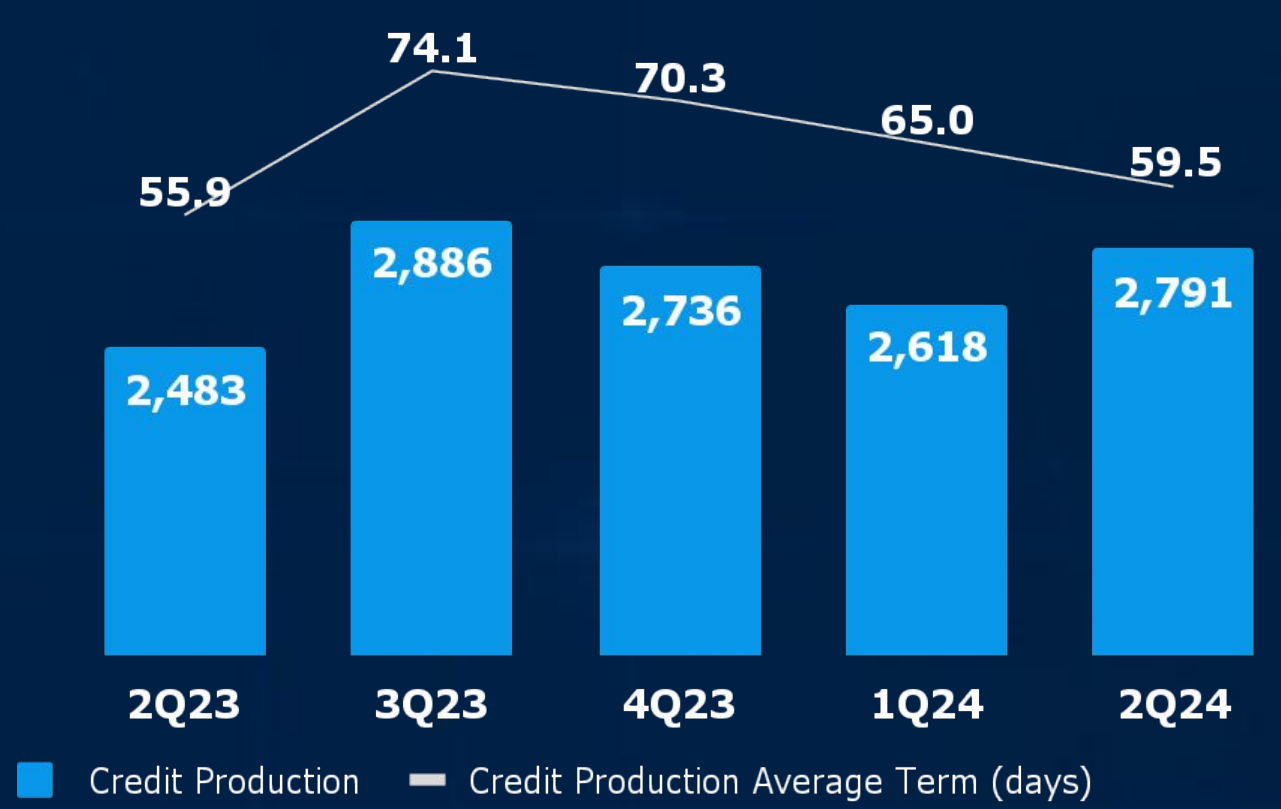
Business Performance Adjusted EBITDA ended the quarter in R\$7.7 million, more than doubling year-over-year.

The growing margin dynamics of this dimension are linked to unit economics that are superior to those of Management. An example of this is the standalone RD Station operation margin, which ended 2Q24 above 20%.

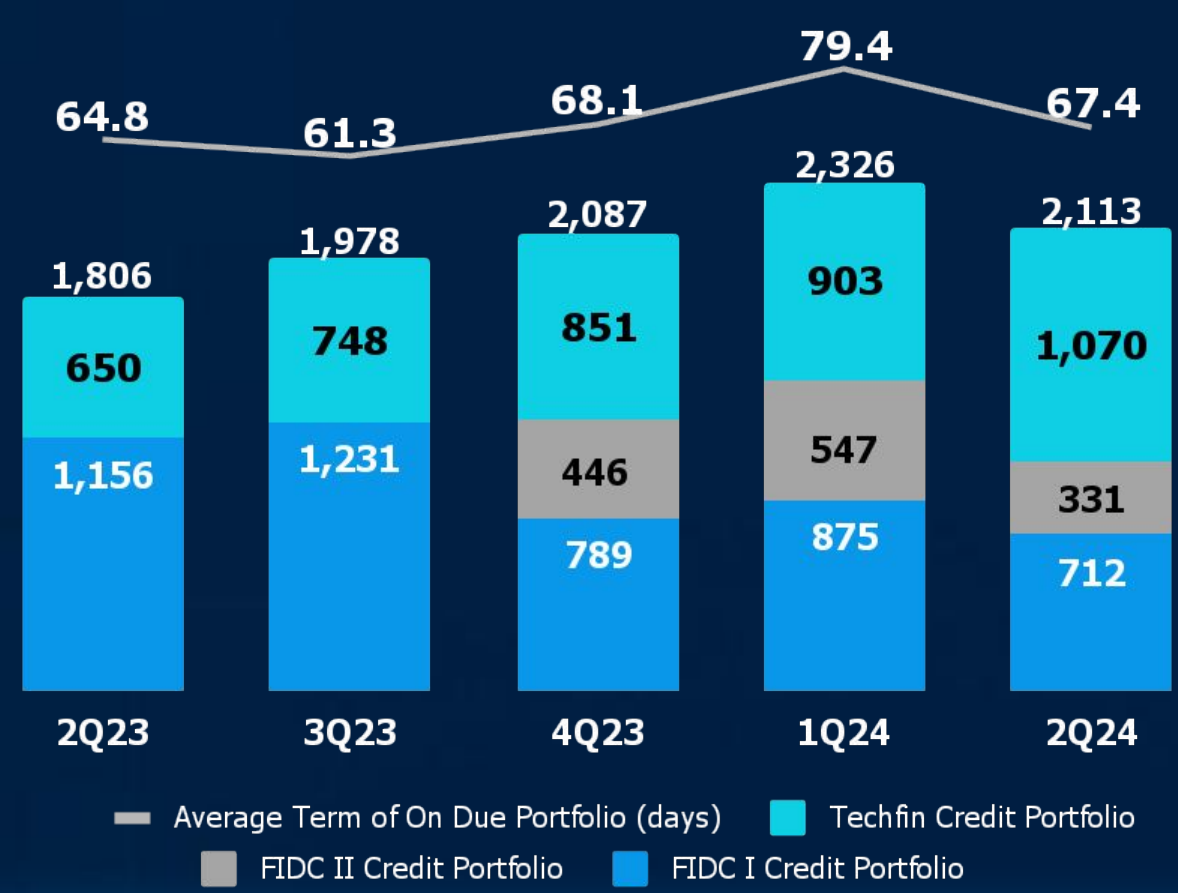


Revenue Net of Funding **grew 47%**
in comparison to 2Q23, driven by the growth in Credit Production and by the **22% reduction in Cost of Funding in the same period**

Credit Production (R\$ million)

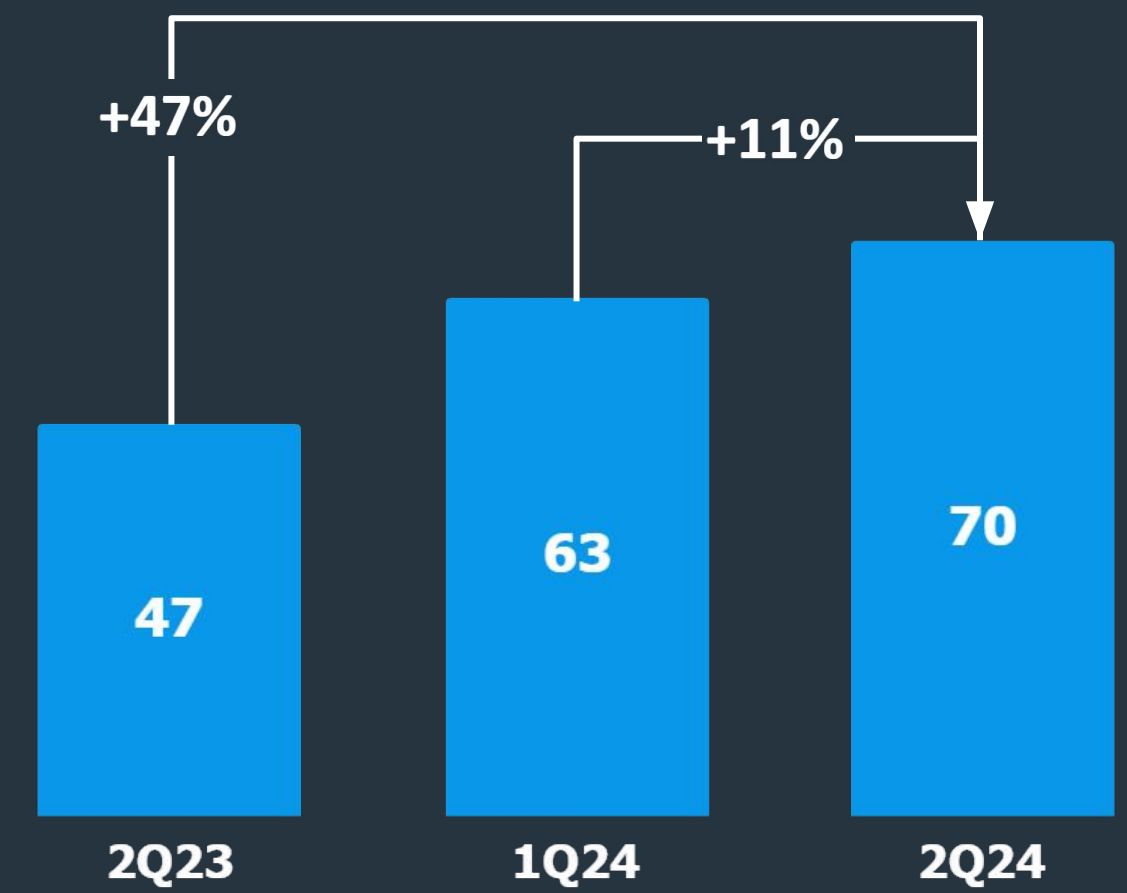


Credit Portfolio (R\$ million)



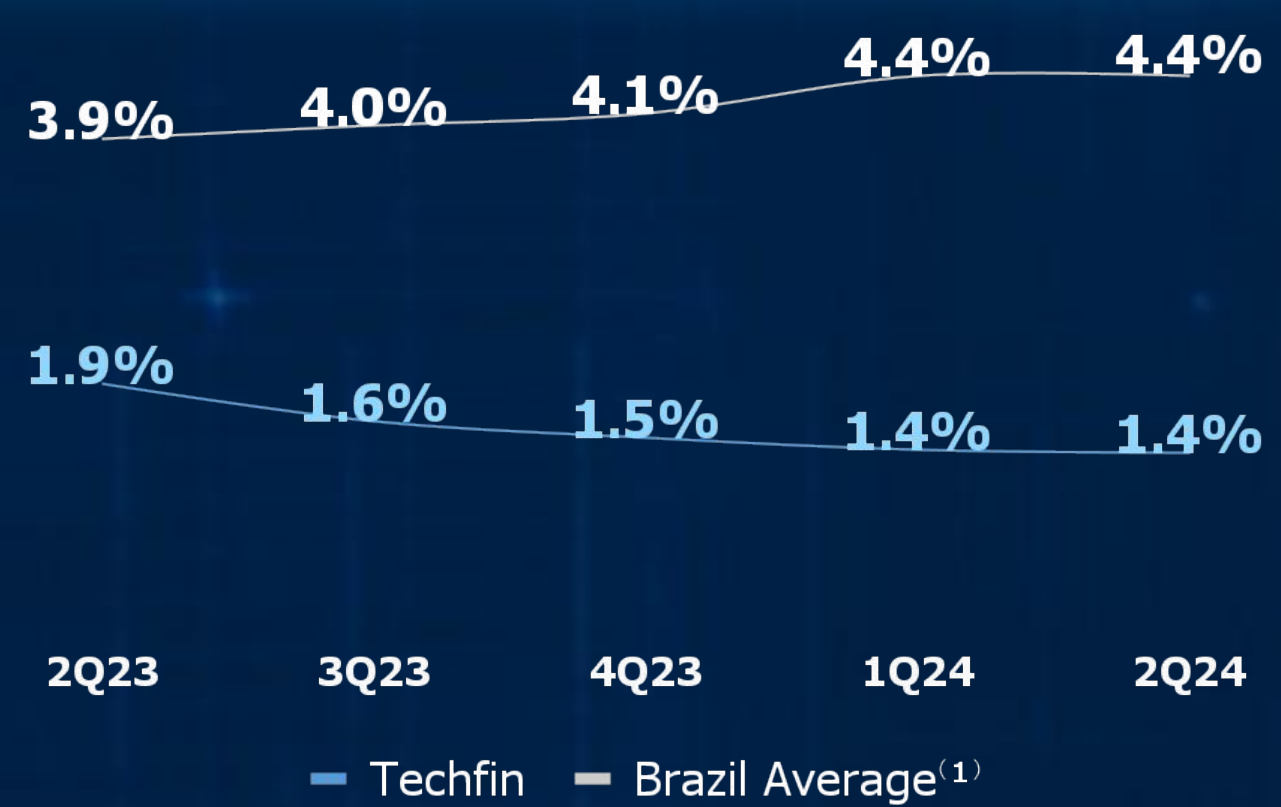
Highlights

Techfin Revenue Net of Funding (R\$ million)

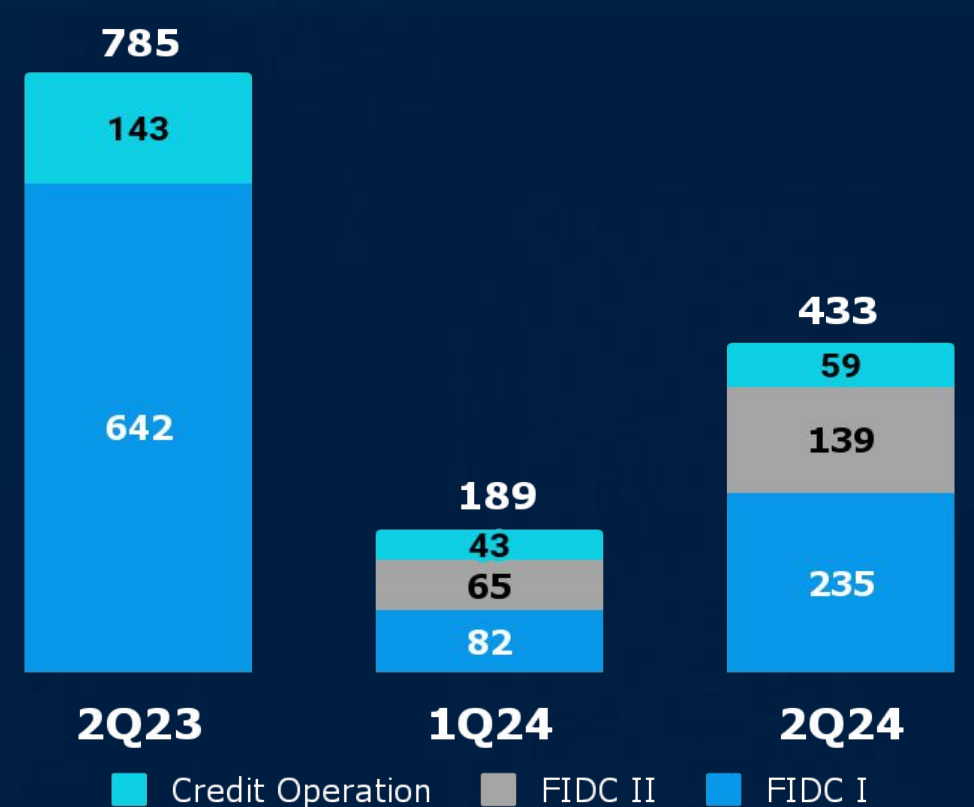


- The evolution of Revenue Net Funding is mainly associated with the performance of Credit Production, which exceeded the amount of 1Q24

Delinquency above 90 days



Cash Position (R\$ million)

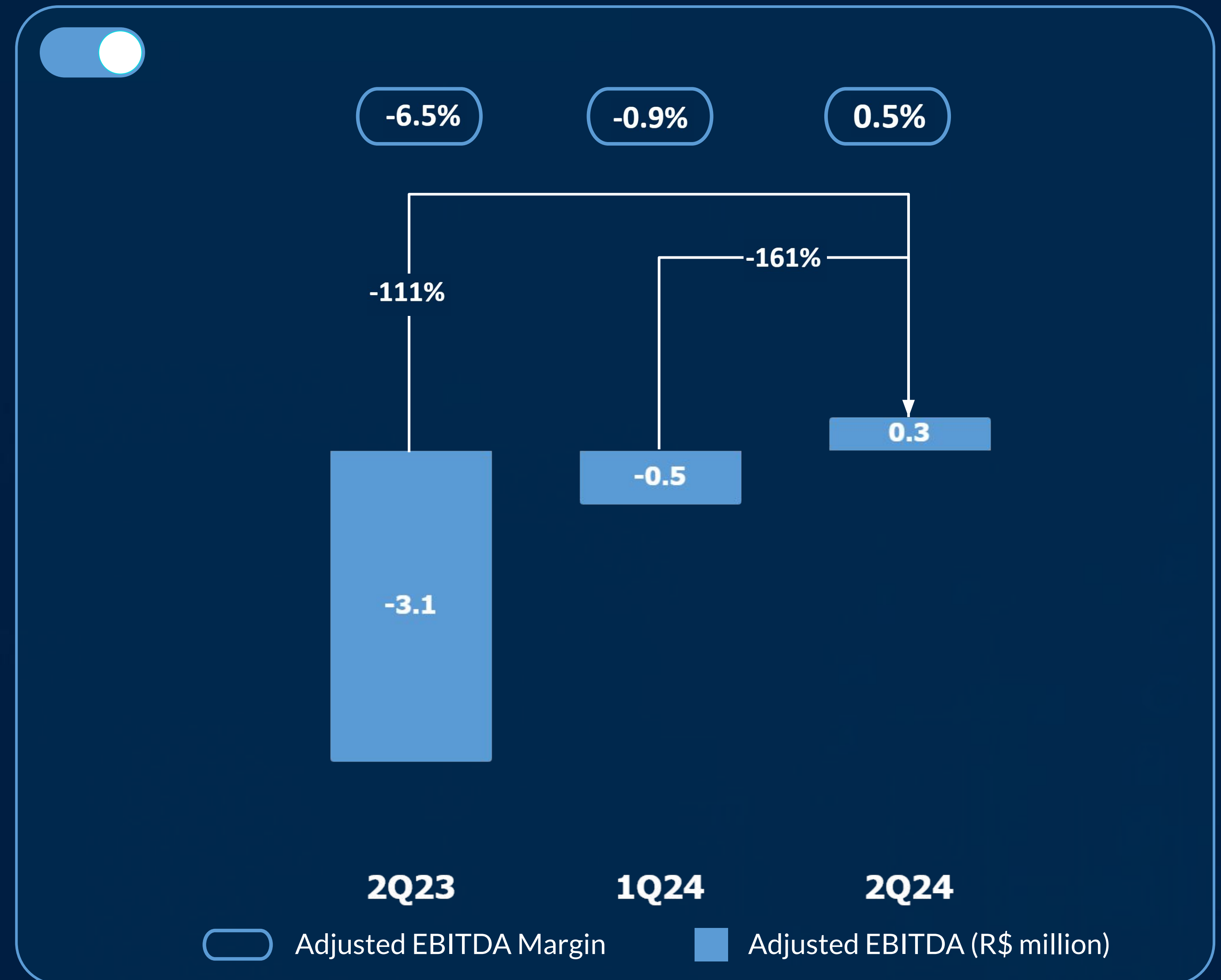


(1) *Source: Brazilian Central Bank (www.bcb.gov.br/estatisticas/estatisticasmonetariascredito) > tabelas.xls > Tabela 23 > MPMe

EBITDA

The progress in the **integration of Supplier and Techfin operations** has enabled operational efficiency gains, allowing TOTVS TECHFIN to achieve greater fluidity and operational efficiency gains in investments to build the new portfolio of solutions, which considers the ERP Banking thesis, with differentials linked to the digital B2B journey integrated with management software and extensive use of the data available in these software.

This factor, combined with the improvement in profitability, especially in funding costs, resulted in Techfin's EBITDA closing the quarter positive at **R\$0.3 million**.

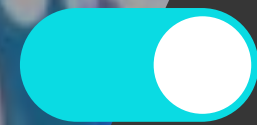




Issue of Debentures and Interest on Equity

With a total value of R\$1.5 billion, the issue of Debentures aimed to optimize the financial cost and lengthen its gross debt profile.

On August 1st, TOTVS approved the payment of R\$136.8 million in Interest on Equity, which is equivalent to R\$0.23 per share. Payment will be made on August 26th, 2024.



Institutional Investor

TOTVS was elected "**Most Honored Company**" in Midcap ranking in TMT (Technology, Media and Telecommunications) sector, at "The Latam Executive Team 2023" research, with recognition in 8 categories of General and MidCap rankings.



Integrated Report 2023

A voluntary initiative to report and communicate Sustainability and ESG performance to our stakeholders, the eighth edition of the Integrated Report highlights:

- **(E PILLAR)** we advanced the CDP score to C and expanded scope 3 coverage in the carbon inventory;
- **(S PILLAR)** we advance the diversity and inclusion agenda, promoting a more equitable work environment;
- **(G PILLAR)** we renewed the business materiality matrix with our stakeholders.

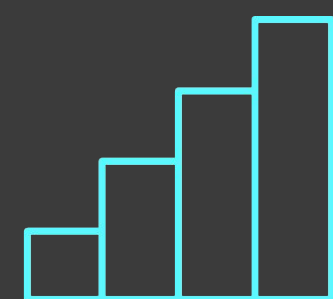
**Our business strategy in just one simple sentence:
“INCREASE TOTVS’ RELEVANCE TO CUSTOMERS”**



21 consecutive quarters
with double digit growth in
Recurring Revenue

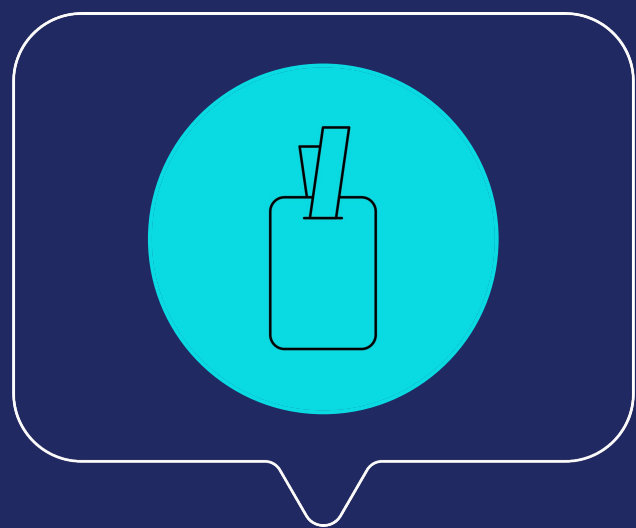


Record ARR volume addition
in Management in 2Q24



Management and Biz Performance market grew
respectively 2x and 4x of the Nominal GDP, and
TOTVS grew consistently more than both

THANKS



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