



# INSTITUTIONAL PRESENTATION

» Investor Relations

2025/ May





## 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

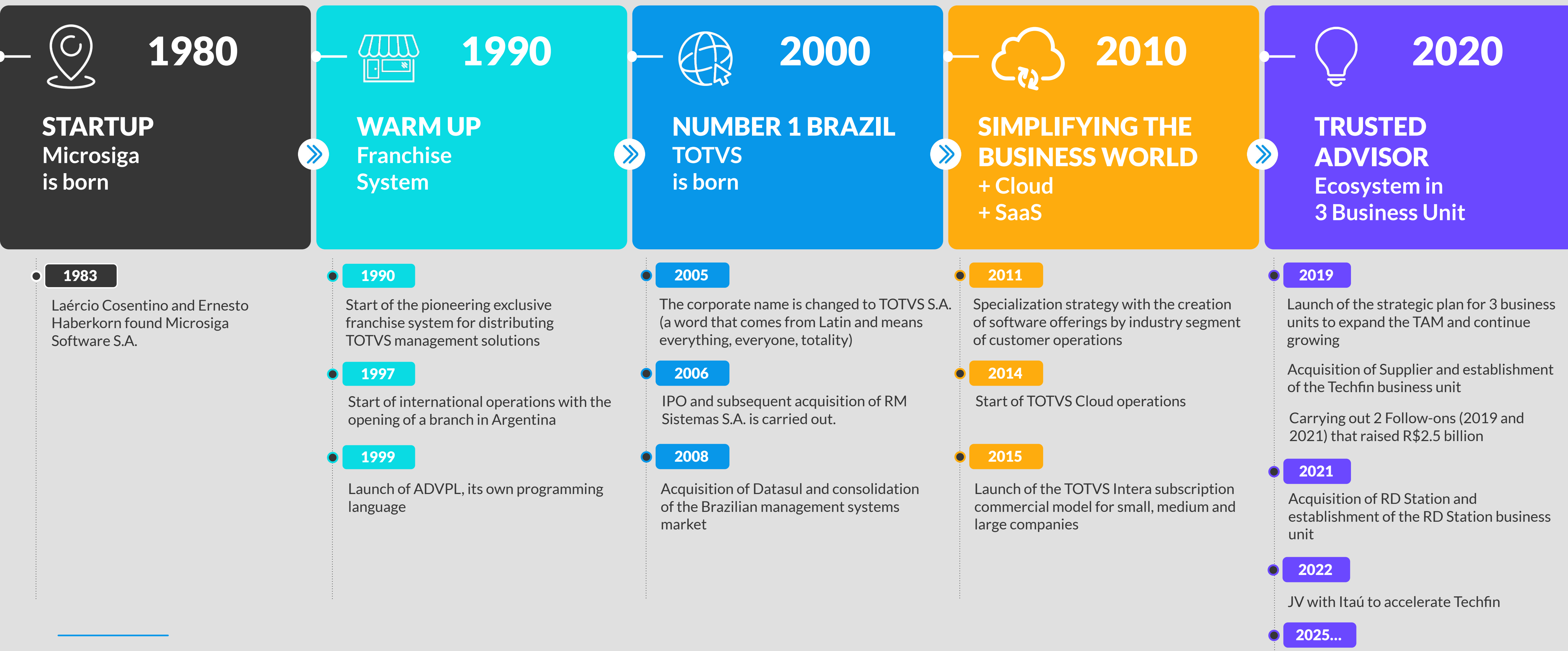


# OUR STORY

Unique and consistent trajectory



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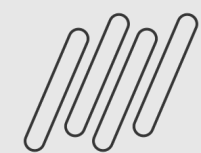
# WHY DID WE CREATE THE 3D ECOSYSTEM?



5







# Our Numbers



6



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



## 14 customer relationship units

SP, RJ, BH, RS, Recife, São Paulo countryside,  
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 Consolidating Franchises

spread throughout Brazil to serve our  
customers in the 37 franchised territories



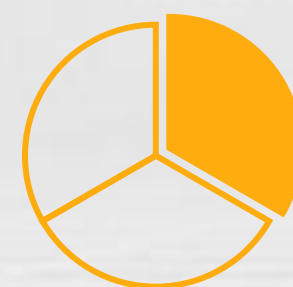
## 11 development centers

SP, BH, Joinville, POA, Florianópolis, Cascavel, Assis,  
Ribeirão Preto, Goiânia, USA and MEX



## #1 ERP Company in Brazil <sup>(2)</sup>

one of the largest technology companies, with  
absolute dominance in the ERP journey



## ~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

Source: Company and IBGE | Notes: (1) Internal company estimates; (2) According to Market Share Enterprise Application software, 2021; (3) Active companies listed on B3 that have common and/or preferred shares







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# ADDRESSABLE MARKET





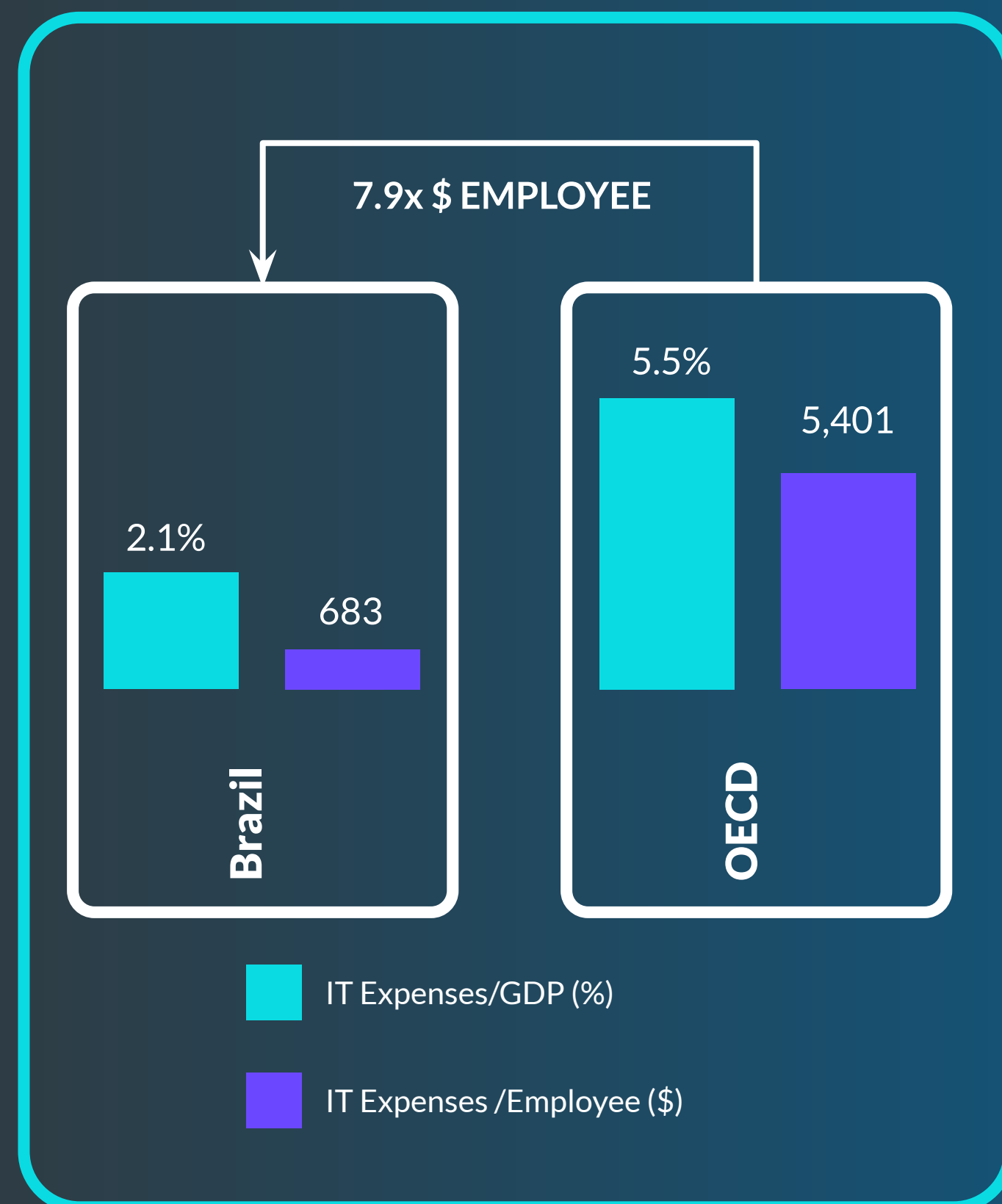
# INVESTMENT IN SOFTWARE



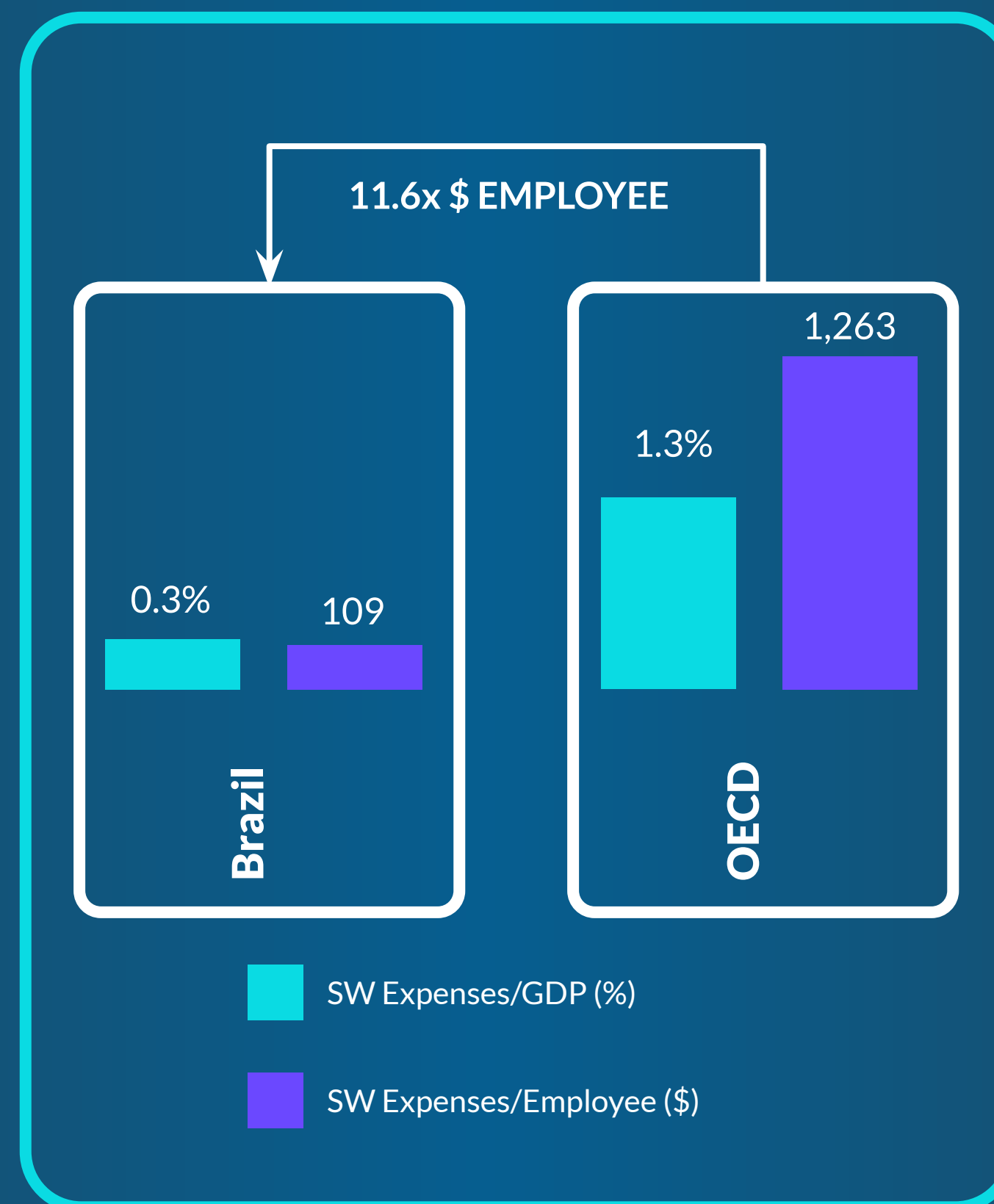
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IT AND SOFTWARE SPENDING, BY ANY METRIC, IS STILL LOW

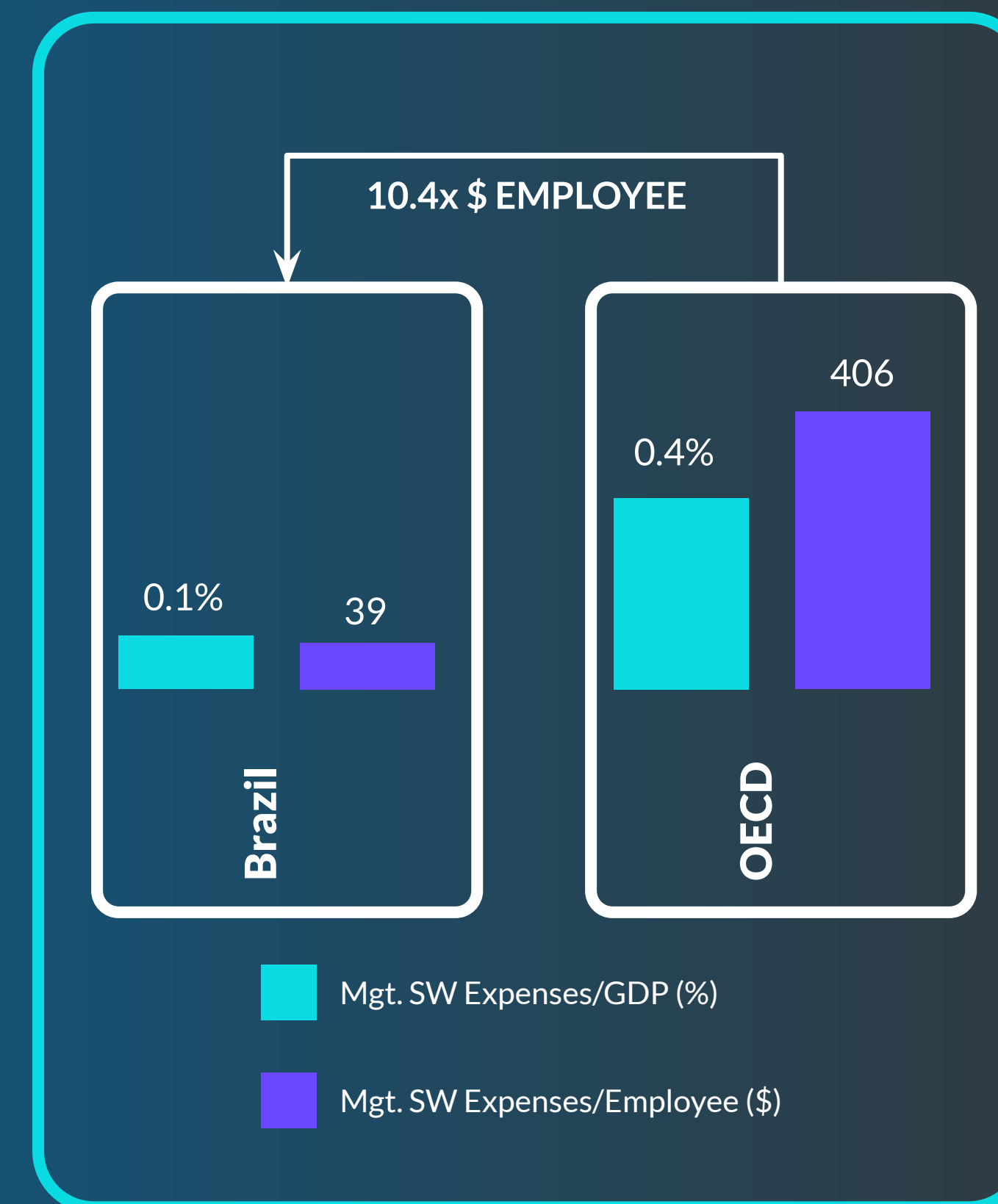
## IT EXPENSES



## SOFTWARE EXPENSES



## MANAGEMENT SW EXPENSES





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	2014-24	2020-24
Brazilian GDP (Nominal) <sup>(1)</sup>	6.6%	8.1%
Management Market <sup>(2)</sup>	13.4%	14.9%
TOTVS Management <sup>(3)</sup>	15.6%	18.7%
RD Station Market <sup>(2)</sup>	23.7%	25.9%
TOTVS RD Station <sup>(4)</sup>	62.4%	32.9%

**2x**  
Brazilian GDP (Nominal)<sup>(1)</sup>

**1.8x**  
Brazilian GDP (Nominal)<sup>(1)</sup>

**1.2x**  
Management Market<sup>(2)</sup>

**1.3x**  
Management Market<sup>(2)</sup>

**3.6x**  
Brazilian GDP (Nominal)<sup>(1)</sup>

**2.9x**  
Brazilian GDP (Nominal)<sup>(1)</sup>

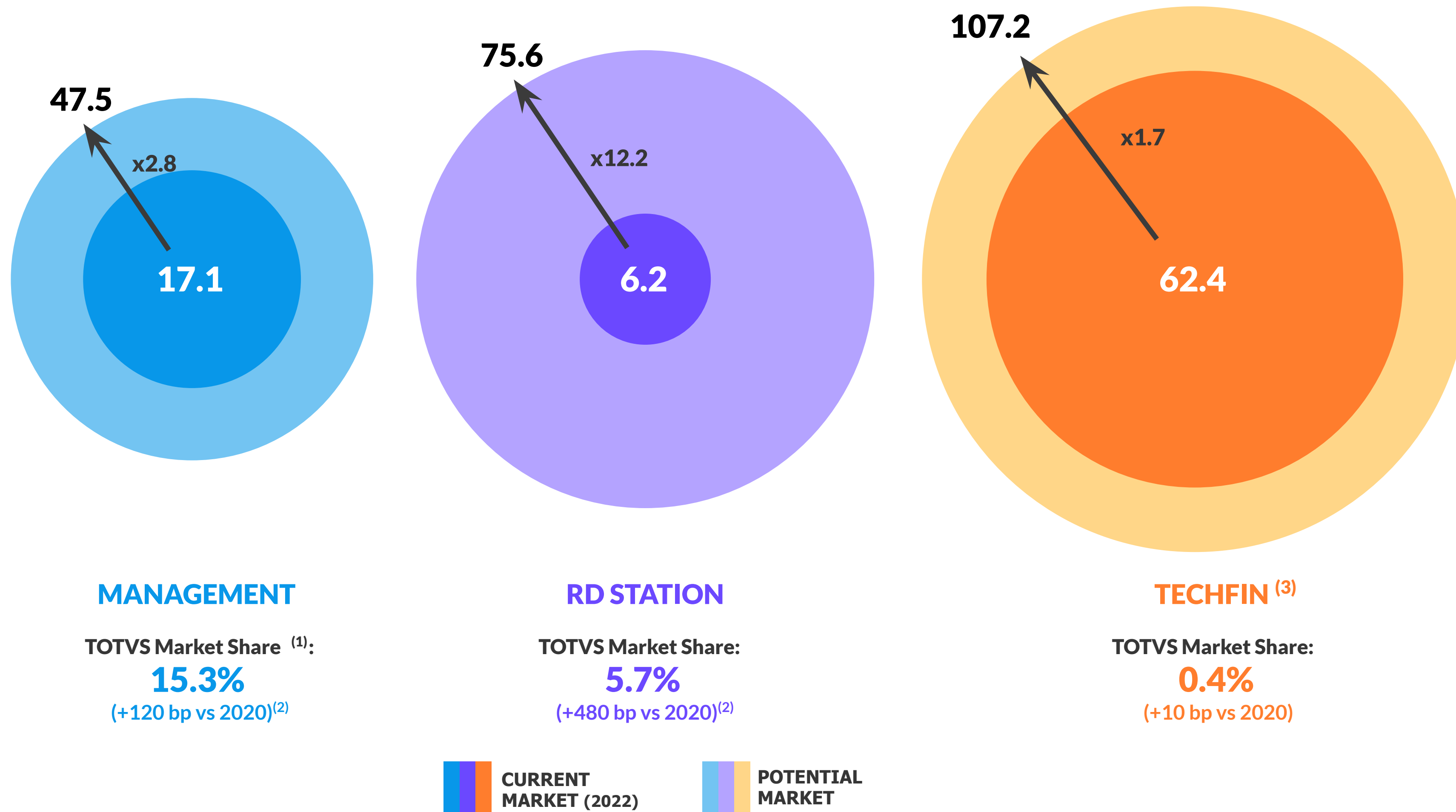
**2.6x**  
RD Station Market<sup>(2)</sup>

**1.4x**  
RD Station Market<sup>(2)</sup>

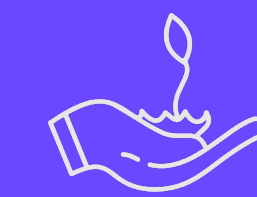


# TOTVS ADDRESSABLE MARKET (R\$ billion)

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 RD Station)** 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



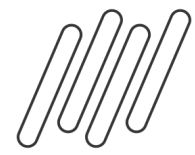


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# COMPETITIVE DIFFERENTIALS







# 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 units: Management, Techfin and RD Station*

# 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

## SUSTAINABILITY 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

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

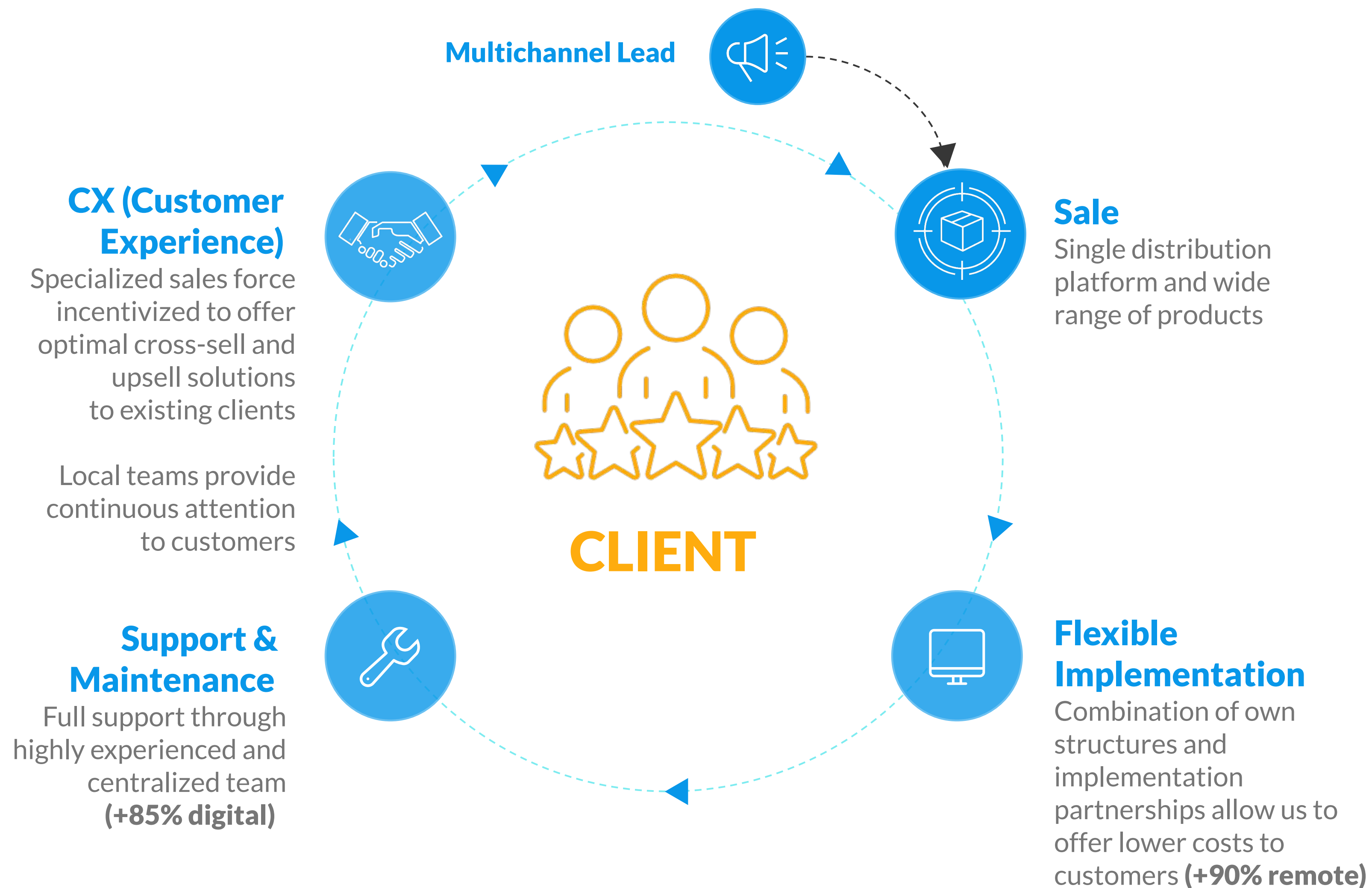
	Predictability	Earlier capture of market growth	Where we are in Client P&L
<b>MANAGEMENT</b> Recurring Model			G&A
<b>RD STATION</b> Recurring + Transactional Model			Sales & Marketing
<b>TECHFIN</b> Transactional Model			Financial Results (Working Capital)
 <b>TOTVS</b>			G&A, Sales, Marketing, Working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



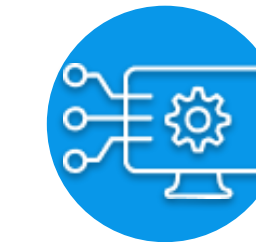


# BUSINESS MODEL

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

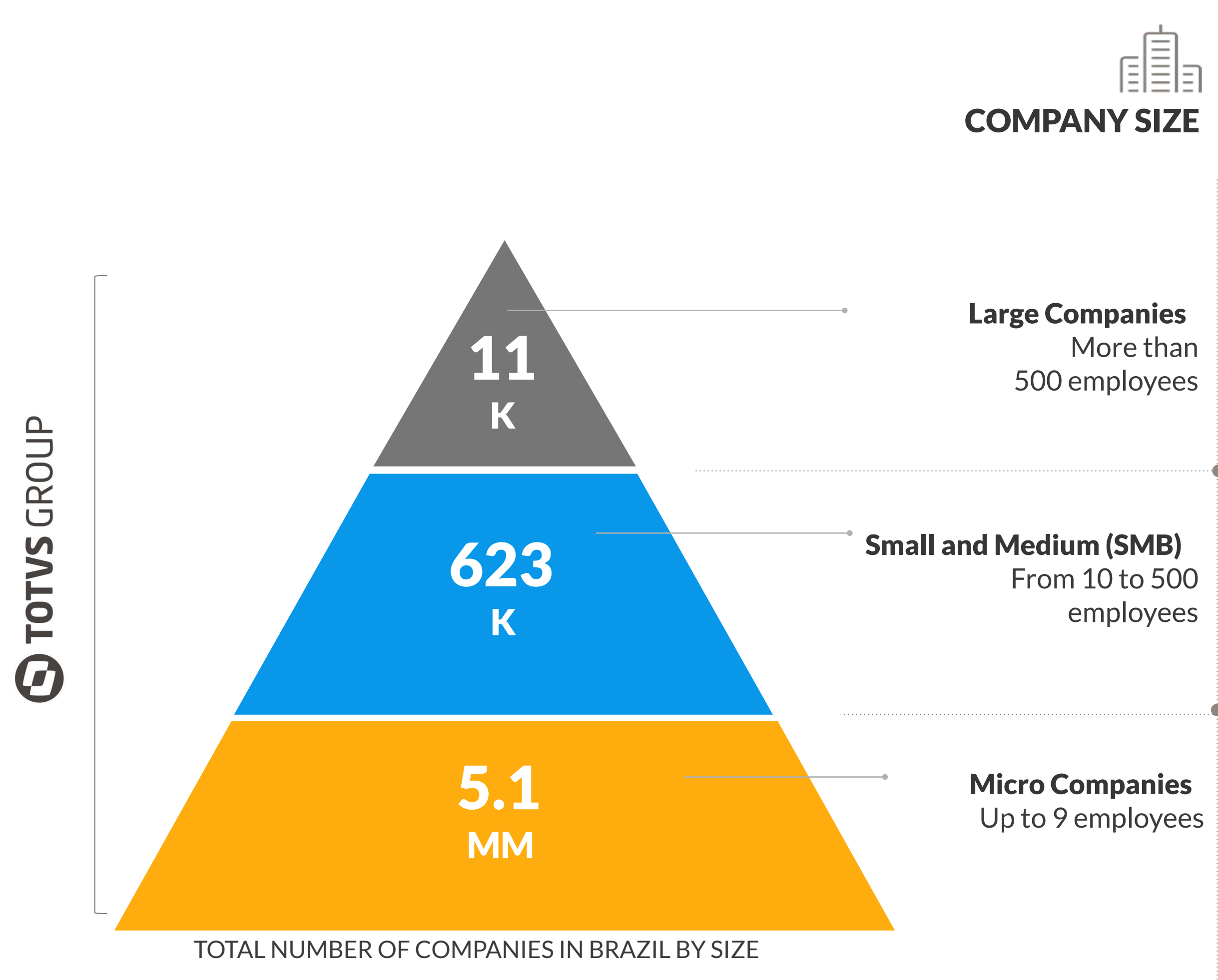






# DISTRIBUTION PLATFORM

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



## DISTRIBUTION CHANNELS LOCAL AND DIGITAL



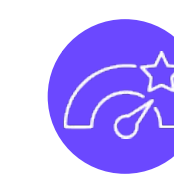
### HOW WE RELATE WITH OUR CUSTOMERS



Management



Techfin



RD Station

#### Large Enterprise Division

- Own team with qualified and specialized staff by industry, offering personalized service and consulting support

#### Affiliates

- Credit distribution through our suppliers' affiliates

#### Partners

- Vibrant partner ecosystem in marketing automation

#### 38 Franchised Territories and 6 Branches

- Franchised territories according to industry sector. Local knowledge for SMB customers

#### Franchises and Branches

- Sales specialists fully-integrated in franchises and branches, still at the beginning of our journey and with large room to grow

#### Digital Commerce

- Fully-integrated Digital Commerce and Omnichannel sales specialists present in franchises and branches

#### Multichannel

- Distribution model through partners from a multichannel base that provides TOTVS with unmatched penetration across all regions in Brazil

#### Cross-selling

- Cross-selling solutions through Management business unit clients

#### PLG (Product-Led Growth)

- Up-sell driven by PLG (Product Led Growth)





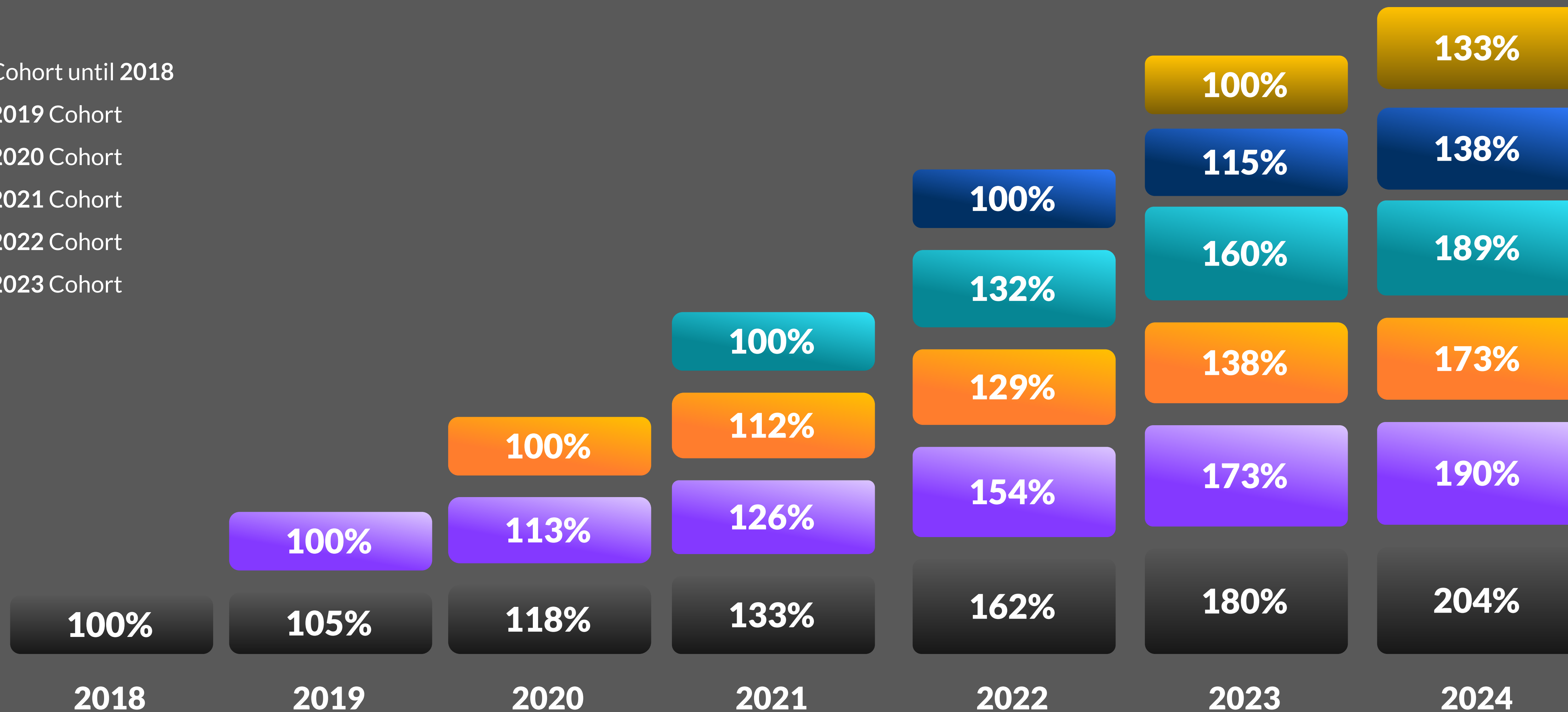
# MANAGEMENT COHORT ANALYSIS

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*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.*

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



REVENUE YEAR

ARR





# BUSINESS PORTFOLIO

Accelerating our clients' digital Journey through the 3D Ecosystem

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**Digitalization and  
Innovative Credit  
Access**

Exponentiating new and  
existing business

## TECHFIN

- ✓ CREDIT
- ✓ CASH MANAGEMENT
- ✓ PAYMENTS

**CX Digitalization**  
Captive and be relevant

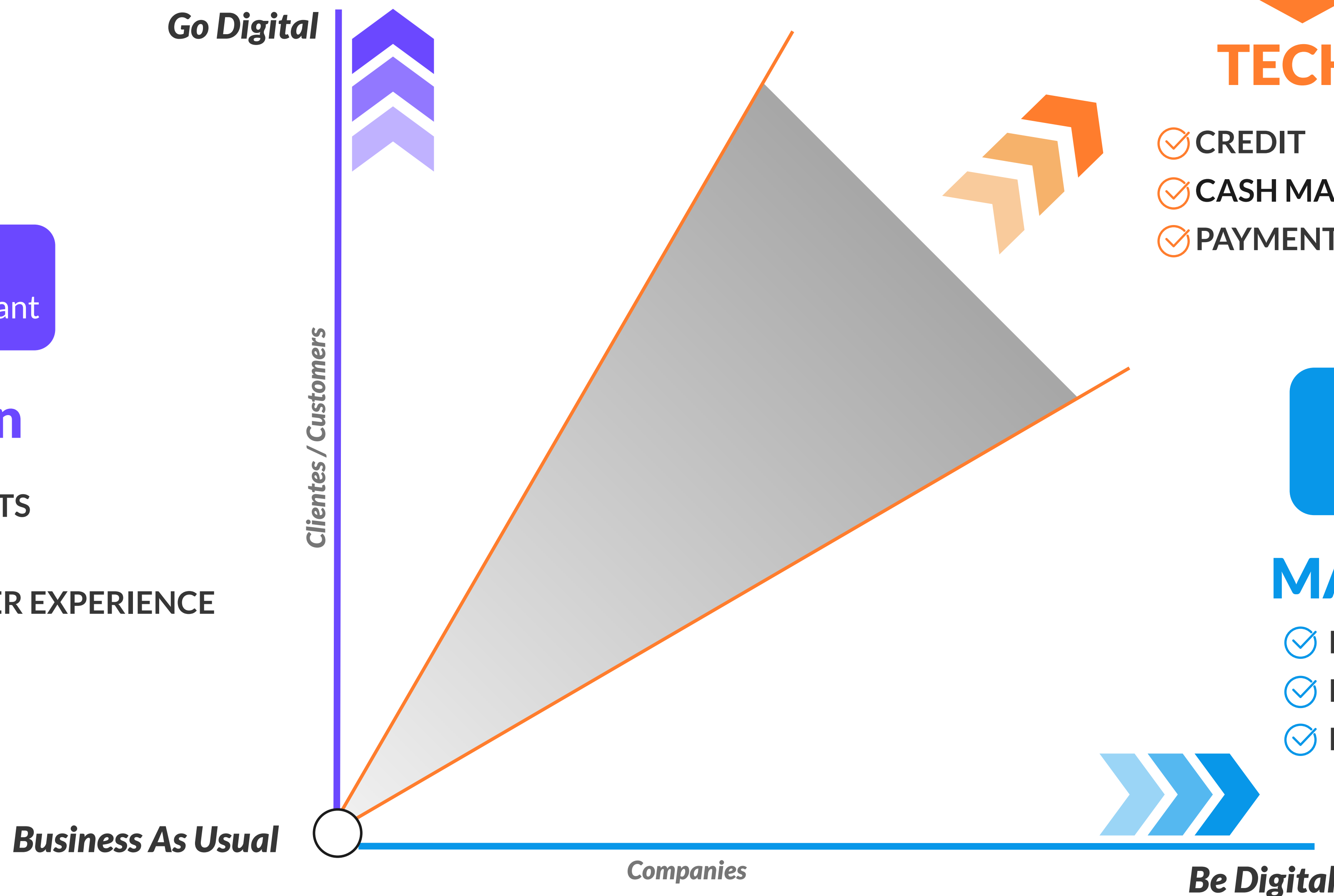
## RD Station

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

**Digitalization  
Company**  
Be agile and solid

## MANAGEMENT

- ✓ PROCESS
- ✓ PEOPLE
- ✓ PRODUCTIVITY







# BUSINESS PORTFOLIO

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## 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 2.8x larger



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

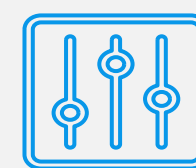


More than simple personnel department solutions, **SMB companies** are updating to the **ultimate platform** for human capital management

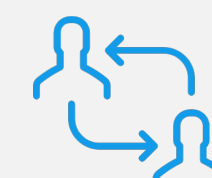


### PORTFOLIO AND DISTRIBUTION

#### ERP & HR Suite

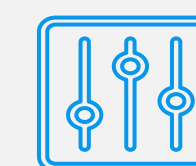


**ERP  
Backoffice**



**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**

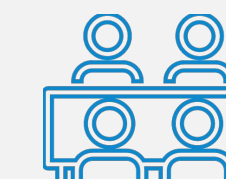
#### Services



**Consulting**



**Cloud**



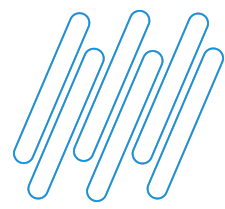
**Trainings**

#### Micro Companies



**Solutions for  
Micro Companies**





# BUSINESS PORTFOLIO

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## BUSINESS UNIT RD STATION

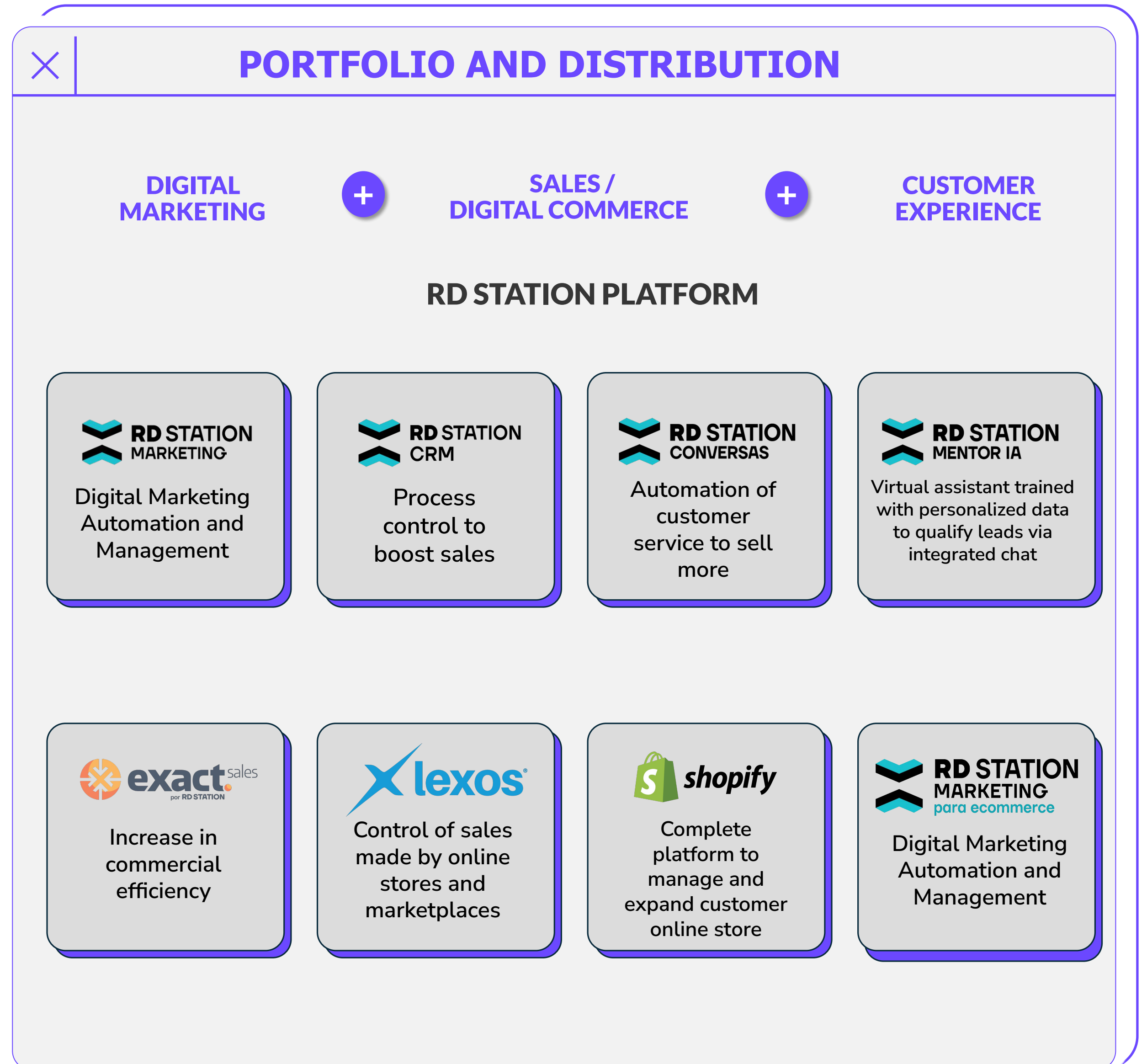
**PORTFOLIO OF SOLUTIONS** to support our clients from diverse market segments to increase sales, competitiveness and performance



**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







# PORTFOLIO OF SOLUTIONS

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## 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

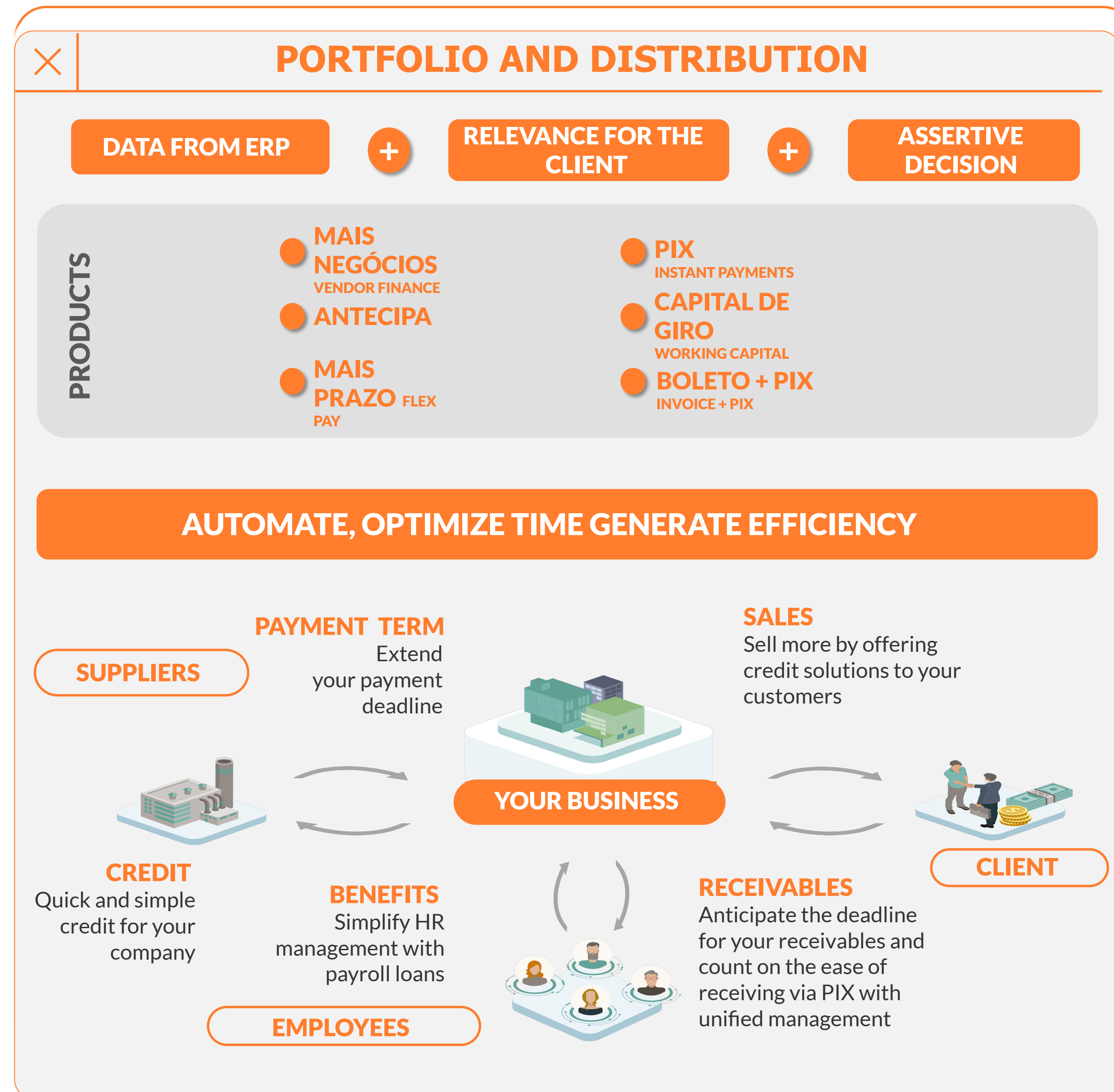


**Lower** regulation



**Self-Sustainable** business unit

Source: Company





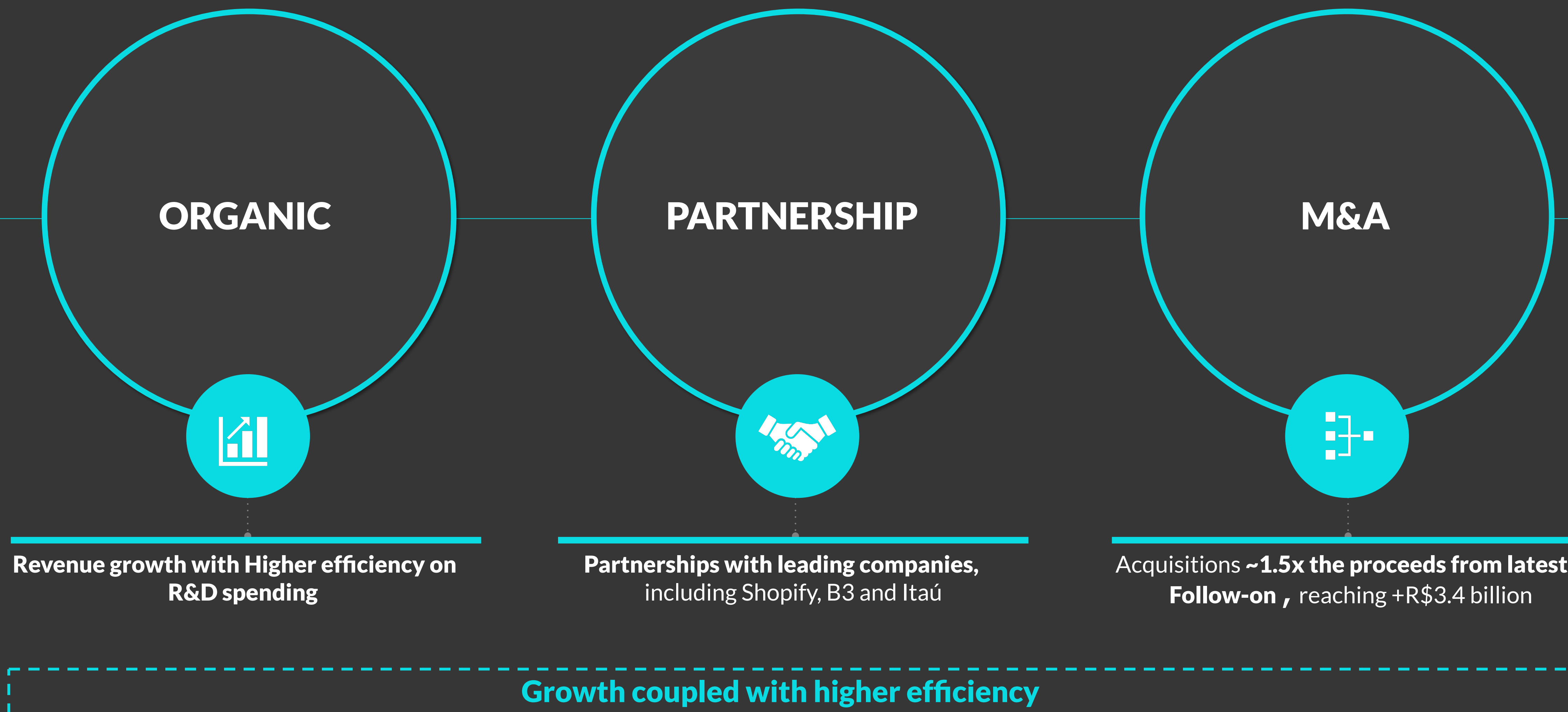


# M&A & PARTNERSHIP

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Successful growth strategy based on three main levers





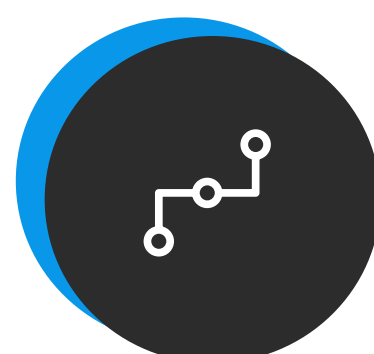


# BUILDING 3D ECOSYSTEM

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



## MANAGEMENT

Plan. and management  
financial

**GESPLAN**  
Mar/2022

business portfolio + access and  
data intelligence

Human  
experience  
management

**Feedz**  
by TOTVS  
Sep/2022

**Rational**  
Expand HXM solutions,  
strengthening the portfolio for  
the Human Resources area

Human  
capital  
management

**ahgora**  
Nov/2023

**Rational**  
Expand the position as a platform for  
HR, strengthening  
the solutions from personnel  
department to employee experience  
management

Retail  
Suite

**varejonline**  
Nov/2023

**Rational**  
Expand the development of a  
complete Retail Suite, focusing on  
transforming retailers'  
management.



## TECHFIN

B2B Credit

**Supplier**  
credit para  
impulsionar  
negócios  
Oct/2019

**Rational**

Best finance offer to the  
entire supply chain

Digital  
Platform of  
Financial  
services

**TOTVS** + **Itaú**  
Apr/2022

**Rational**

Expand, simplify, and  
democratize the access to a  
wide range of financial products  
in the B2B market



## RD STATION

Digital Marketing

**RD STATION**  
Mar/2021

**Rational**

The leader in the digital  
marketing transformation of  
SMBs

Conversational  
commerce

**TALLOS**  
Aug/2022

**Rational**

One of the major  
developers of solutions  
for conversational commerce  
in the country

E-commerce

**shopify**  
May/2023

**Rational**

World leader in e-commerce  
platform, to offer solutions for  
SMEs

Digital-commerce

**lexos** **exact** sales  
May/2023 Jun/2023  
per RD STATION

**Rational**

Solutions to enhance the  
integration of sales and  
prospecting and potential  
customer qualification platforms





# 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 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**

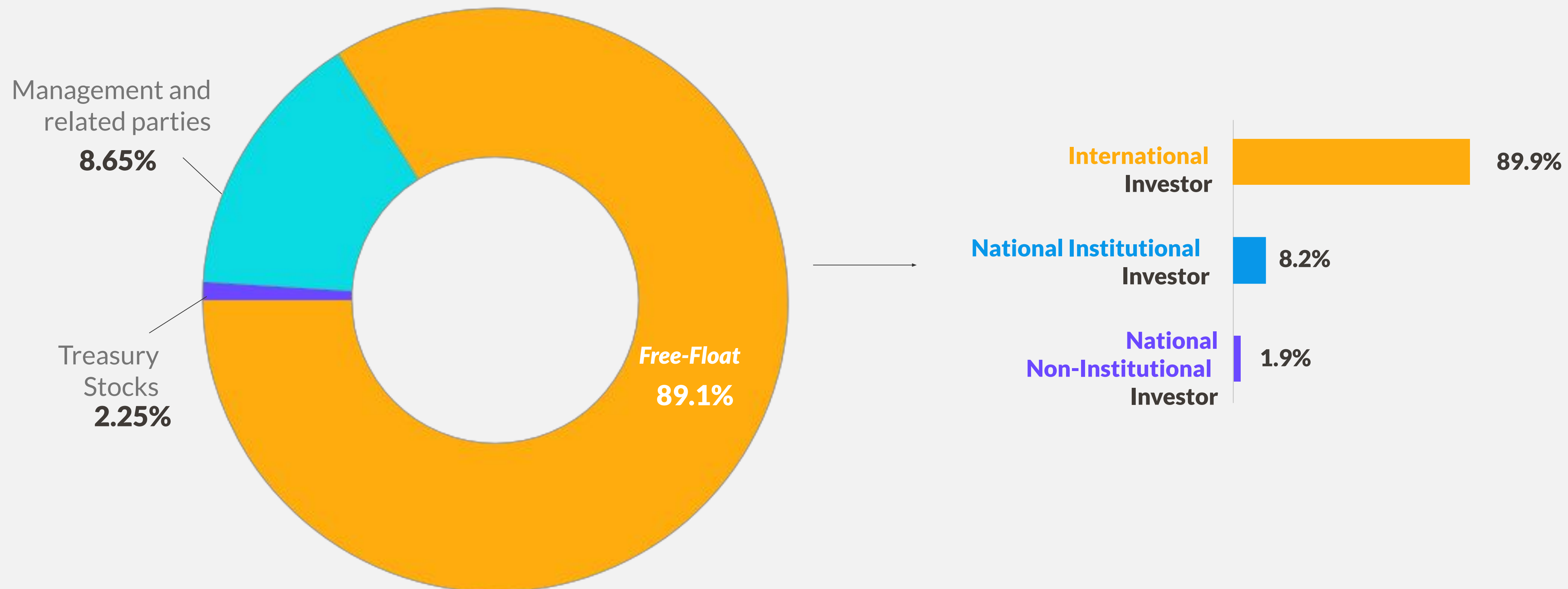
Analyzes and discusses the main Strategic Planning guidelines, including the Company's ESG and M&A strategy





# GOVERNANCE

Shareholding Composition\*: True Corporation







# SOCIAL INVESTMENT

TOTVS IS A SUPPORTER OF IOS AND BELIEVES THAT SOCIAL INVESTMENT CAN DRIVE TRANSFORMATION



## INTERNATIONAL RECOGNITION

thedotgood.



11° Brazil



149° Global



+47K

Graduates in the last 27 years



2,200

Average students served



1,800

Graduates from IOS courses



1,407

Students employed



59%

Increase in family income





# #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)

+12,000 people in Brazil



307 abroad



ARG



MEX



USA



COL

By gender



61%



39%

By leadership position



62%



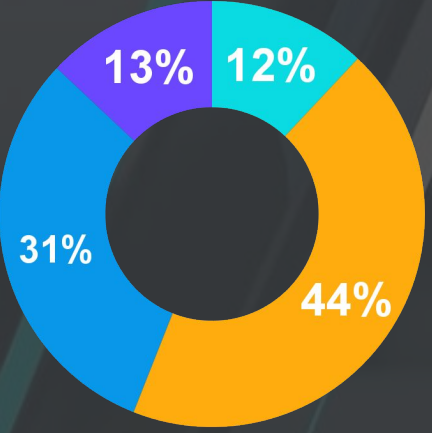
38%

By generation

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

By activity

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







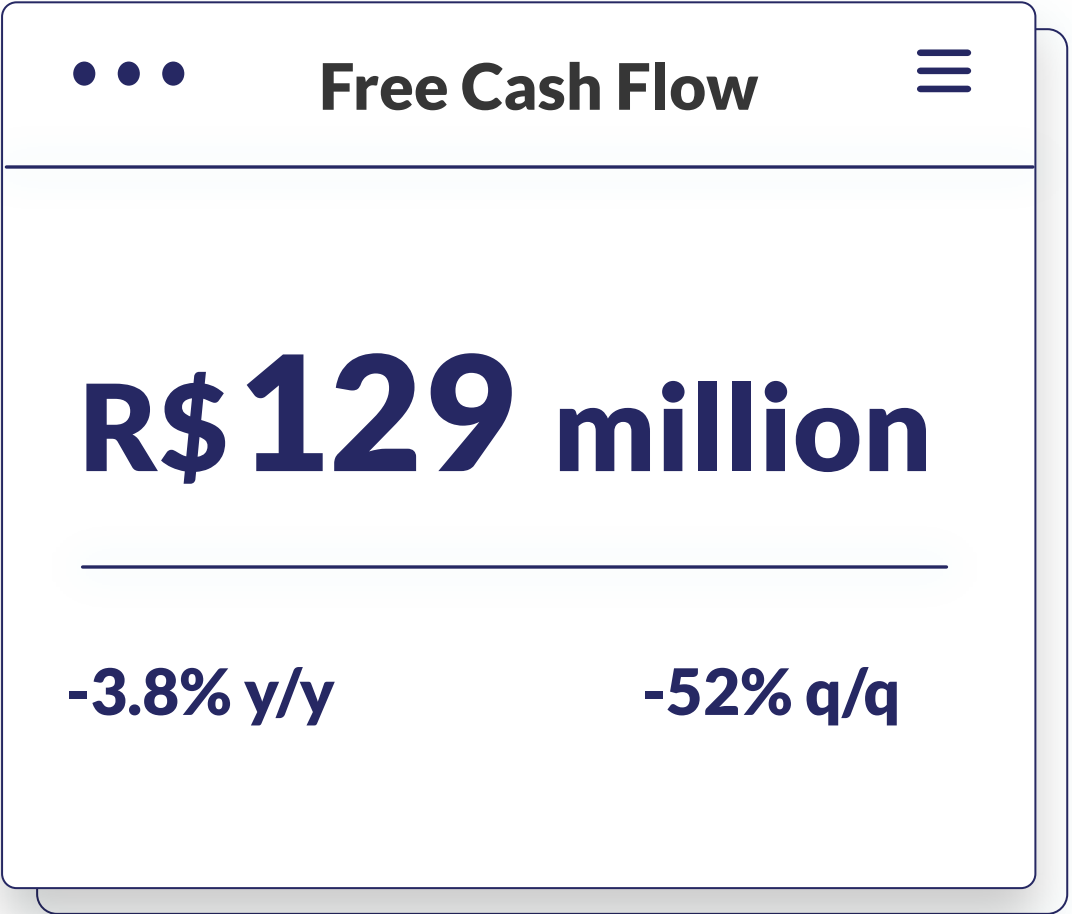
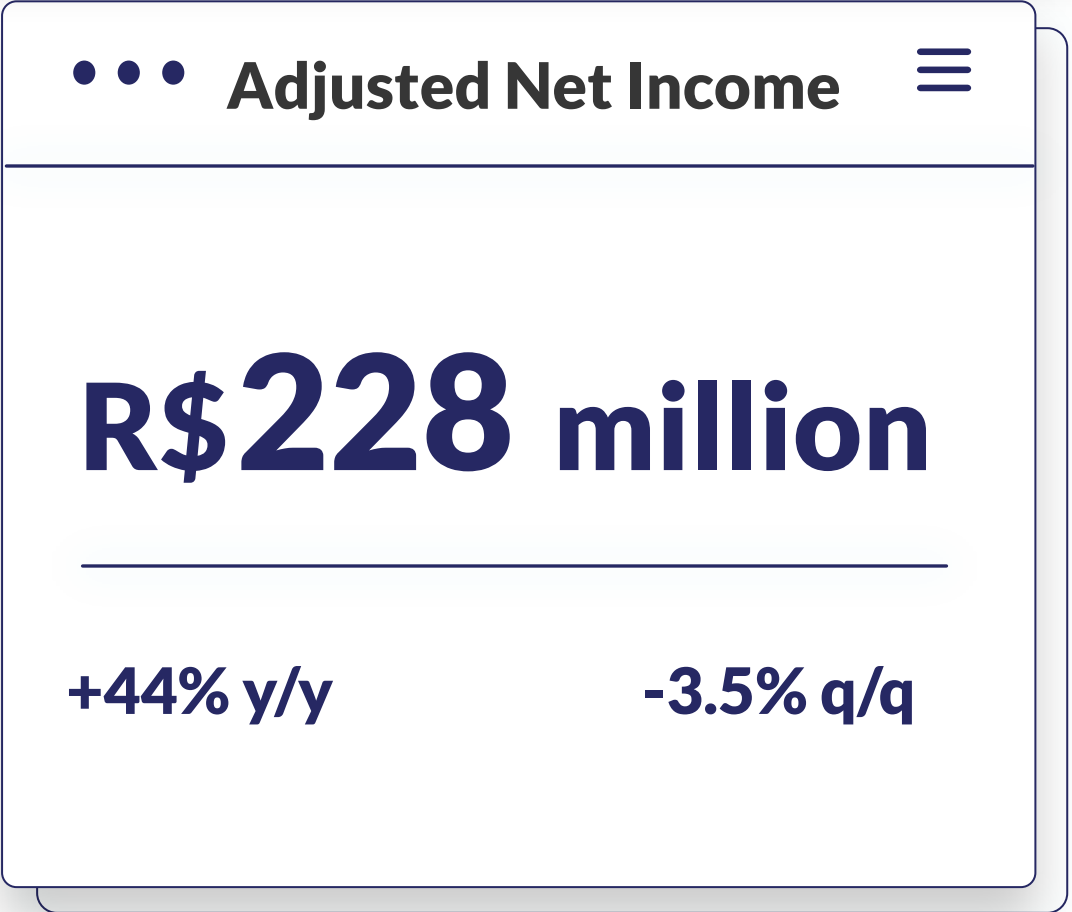
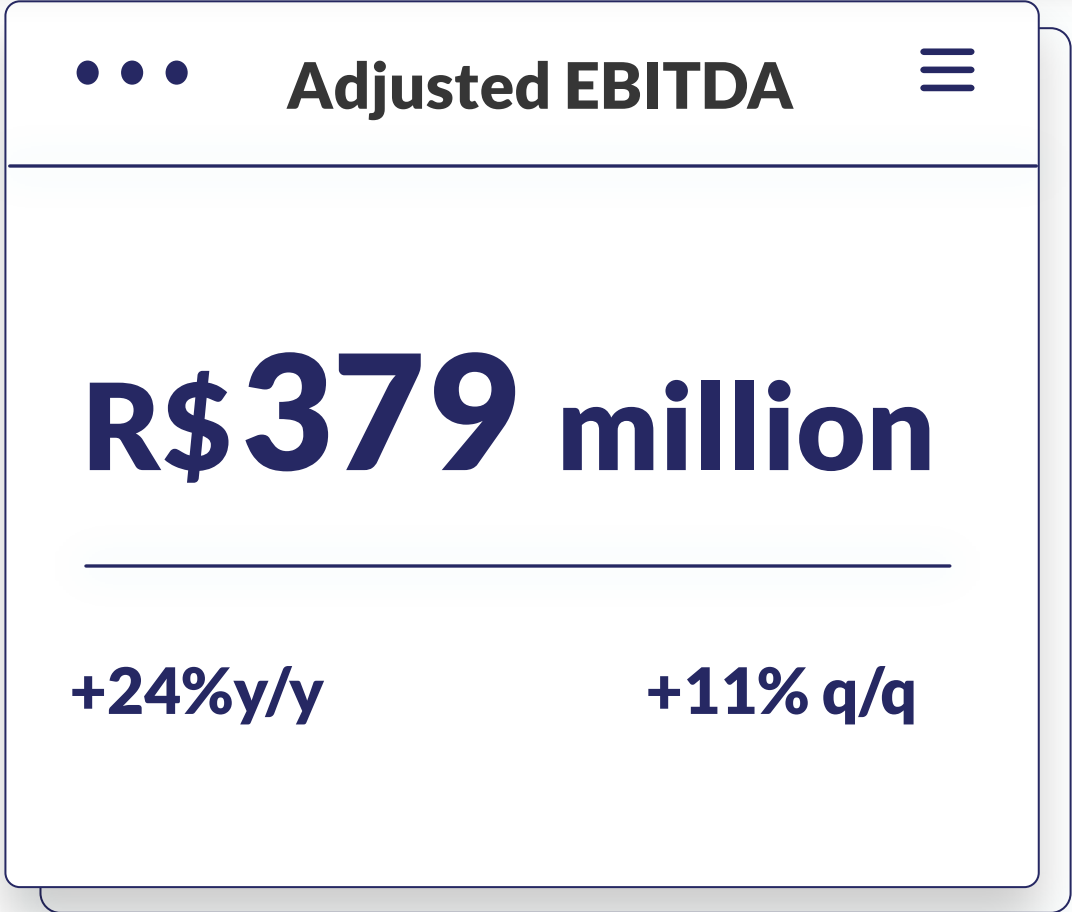
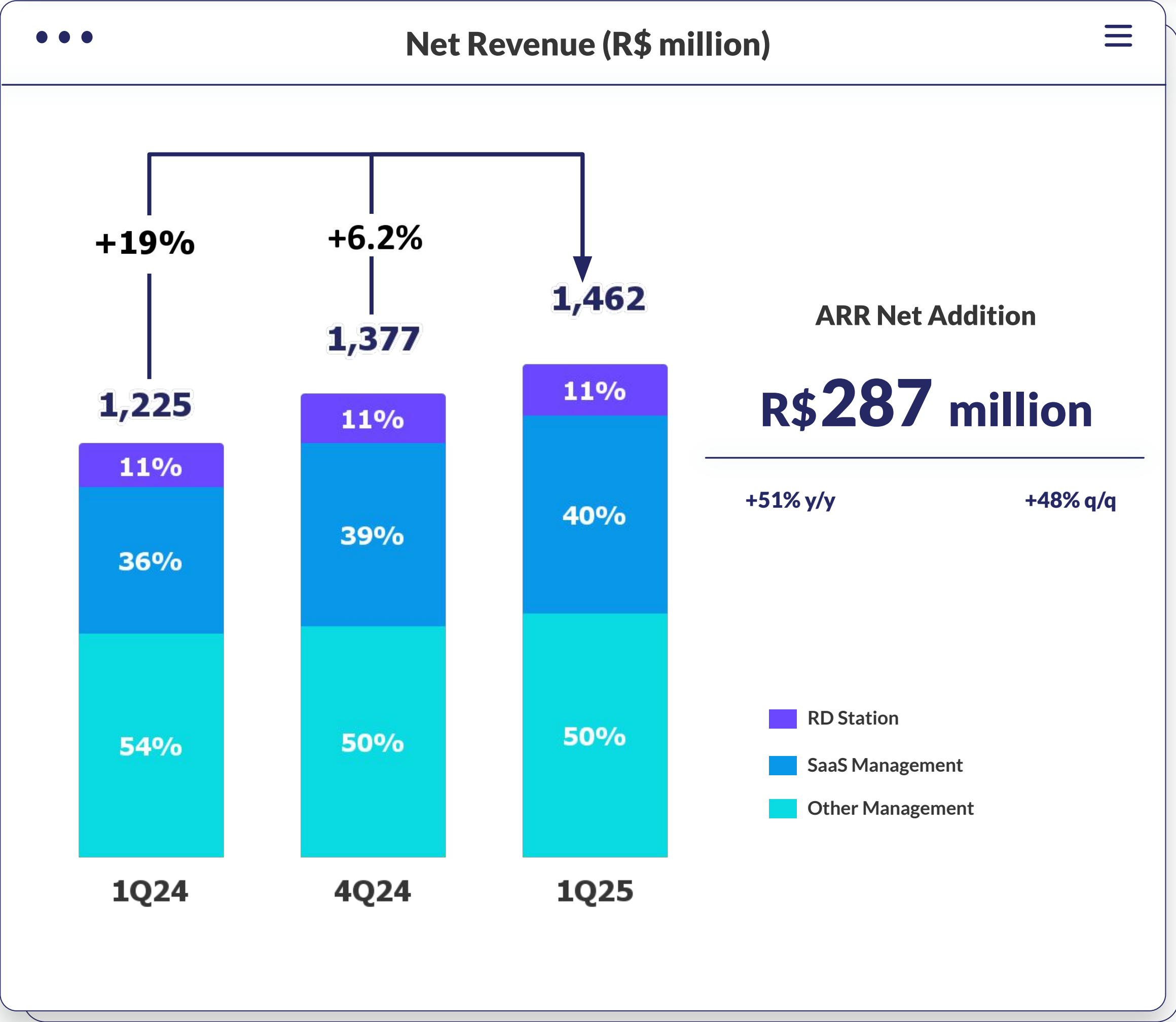
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# QUARTER RESULTS 1Q25





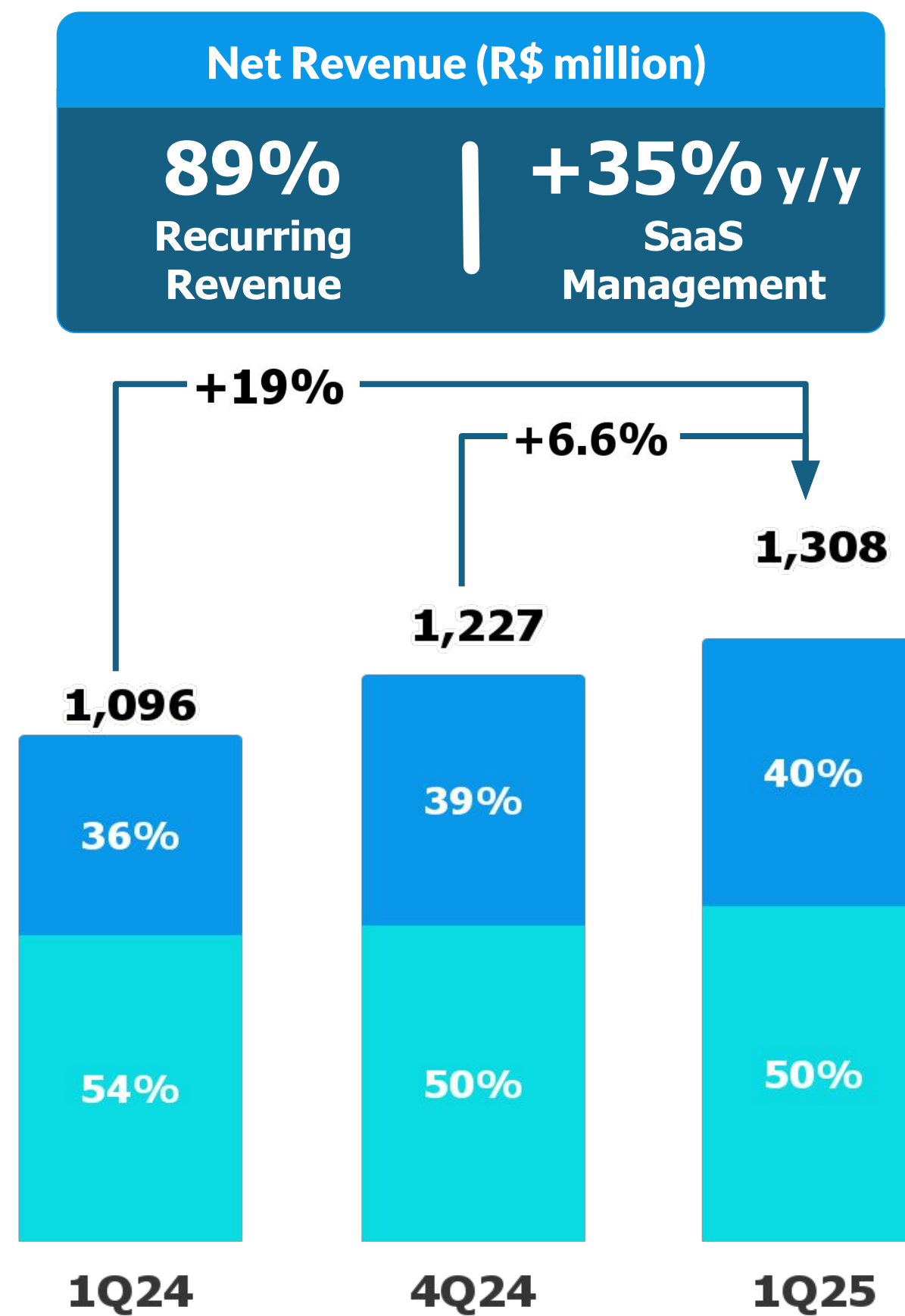
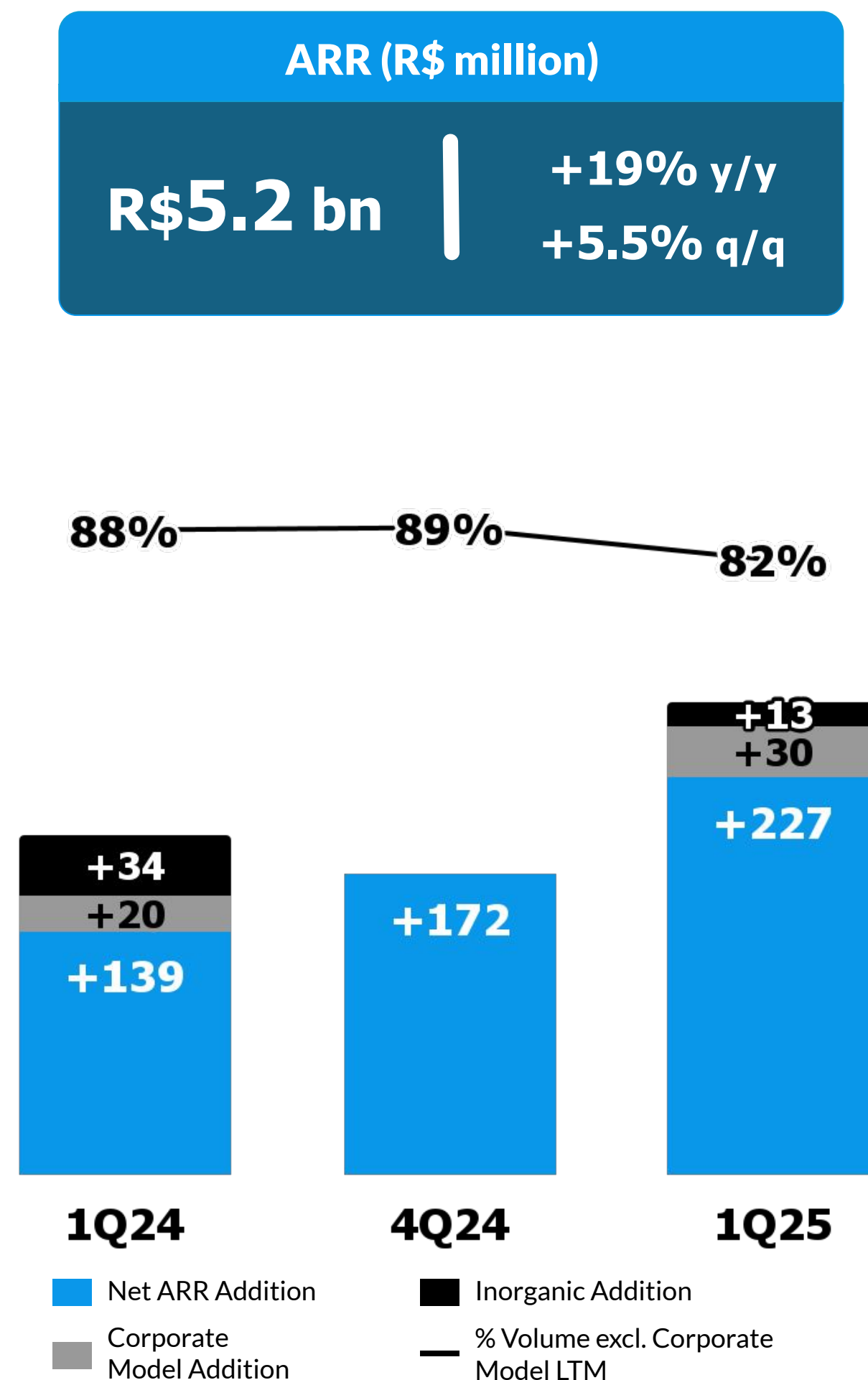
+44% y/y increase in **Adjusted Net Income** with +19% y/y growth in **Total Net Revenue**



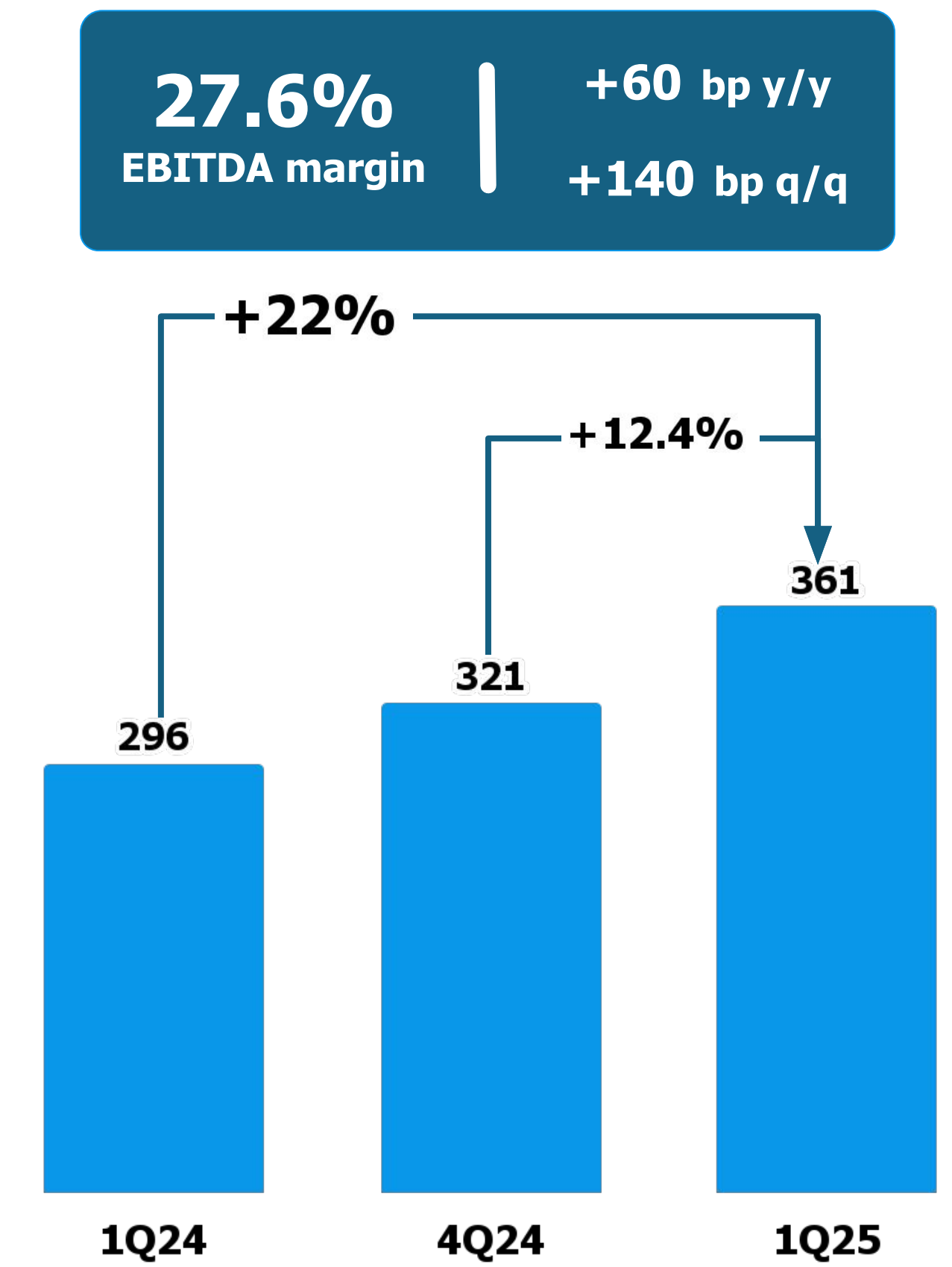


**24% growth in Recurring Revenue** and **22% growth in Adjusted EBITDA**, resulting in a **60 basis point y/y Margin expansion**

## REVENUE



## ADJUSTED EBITDA (R\$ million)







19% growth in **Recurring Revenue**,  
with **Adjusted EBITDA Margin** expanding by **430 basis points** y/y

REVENUE

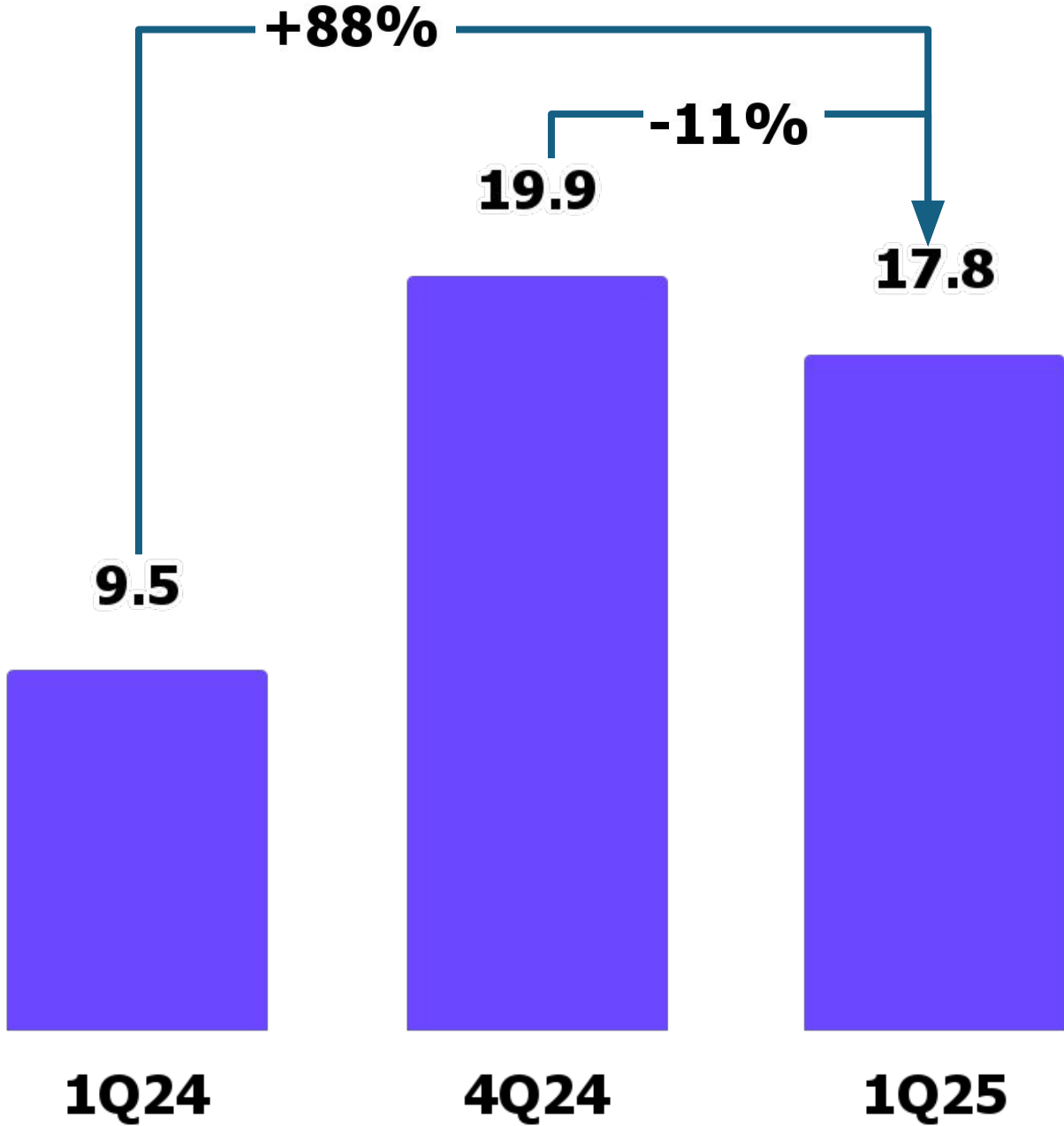
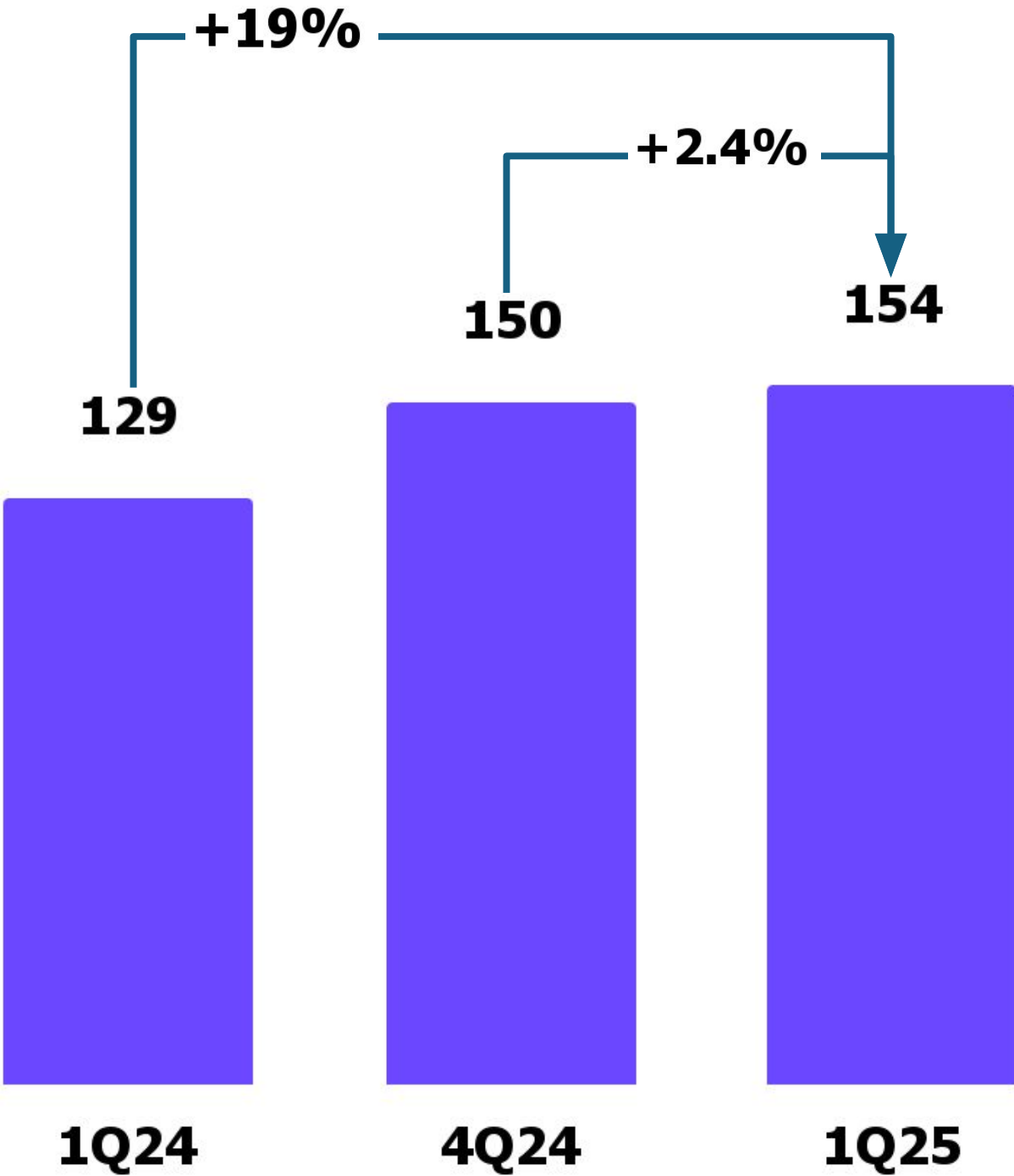
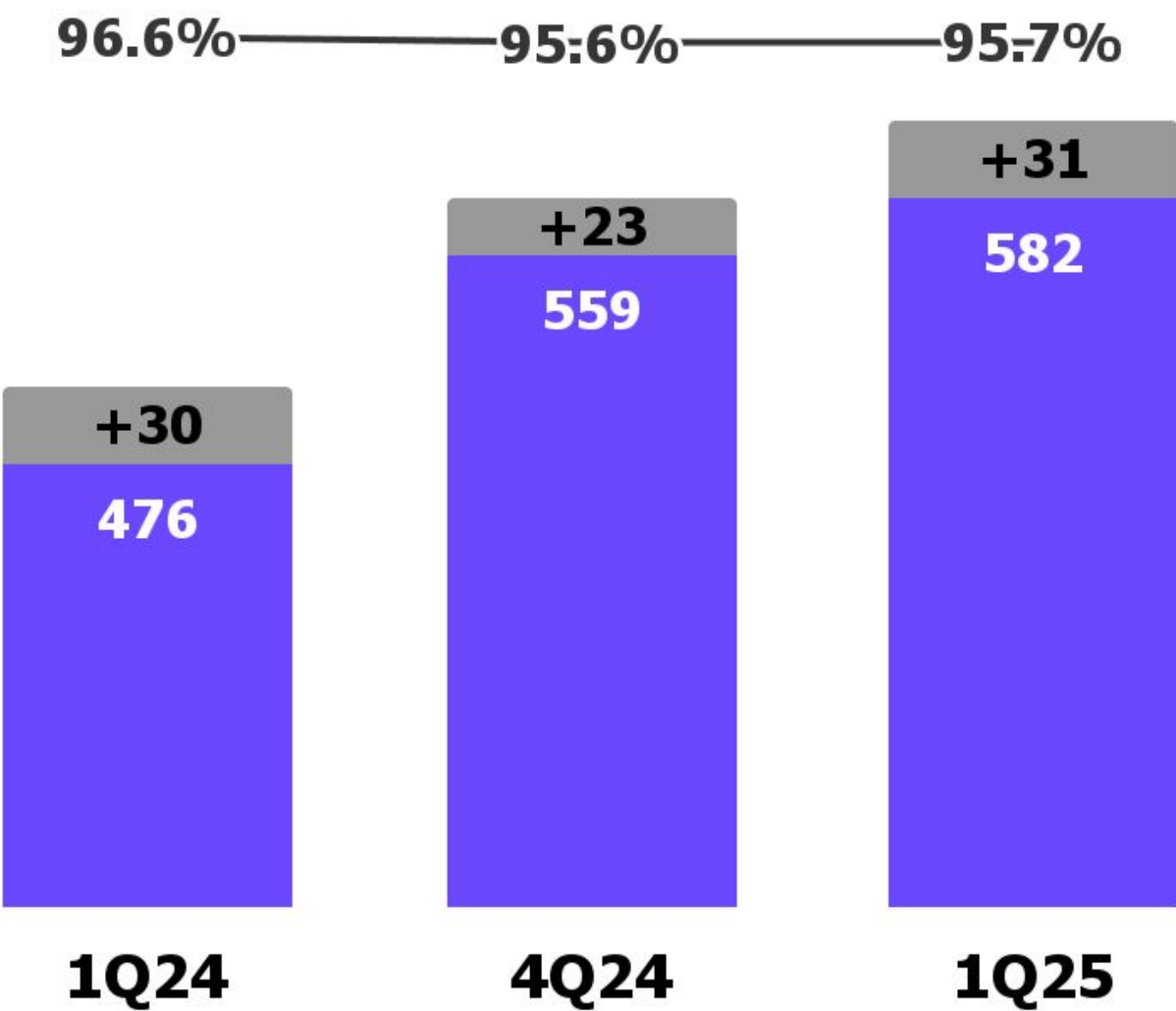
ADJUSTED EBITDA (R\$ million)

ARR (R\$ million)

**R\$612 million** | +21% y/y  
+5.3% q/q

Net Revenue (R\$ million)

**11.6%**  
EBITDA Margin | +430 bp y/y  
-170 bp q/q

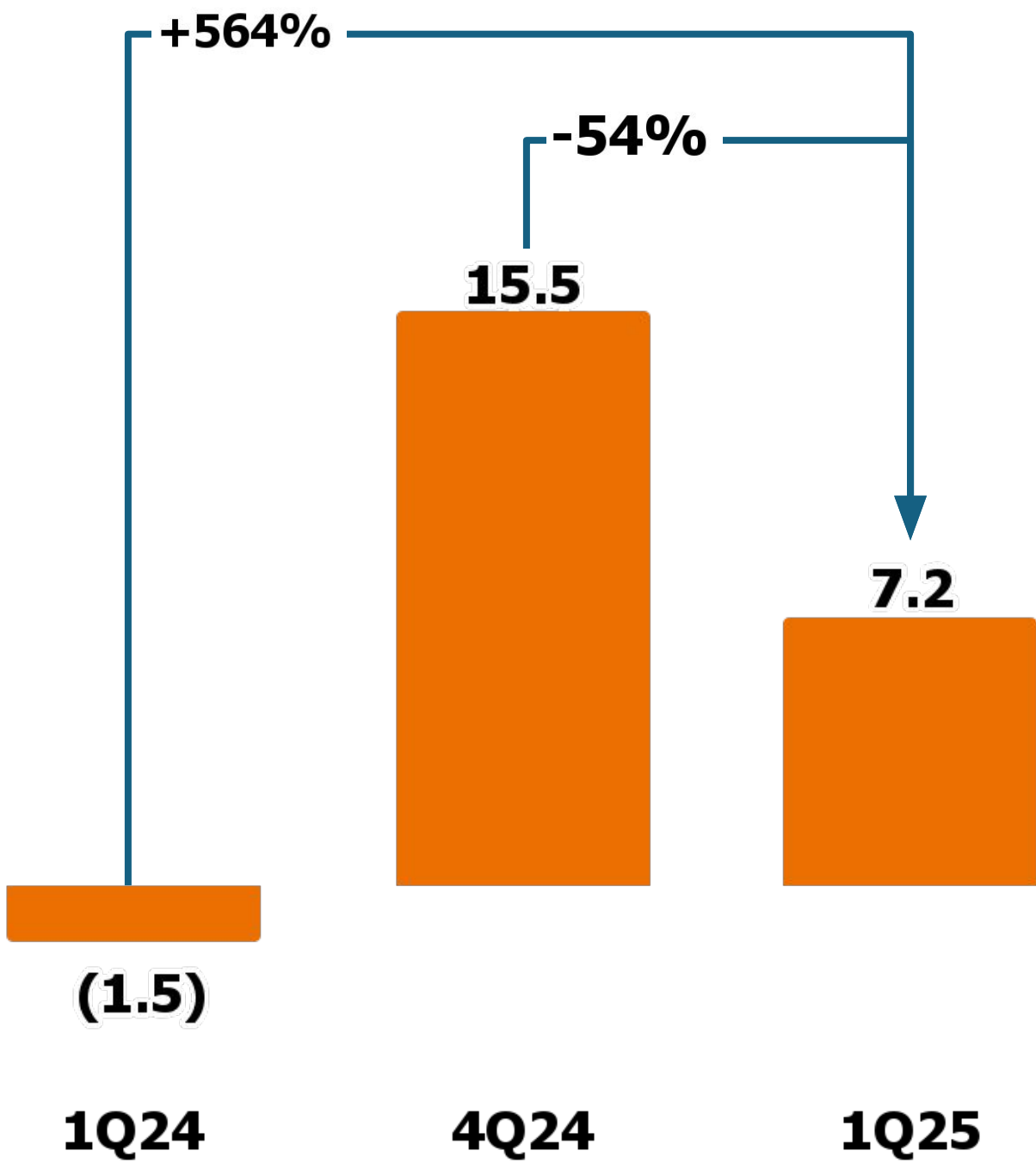
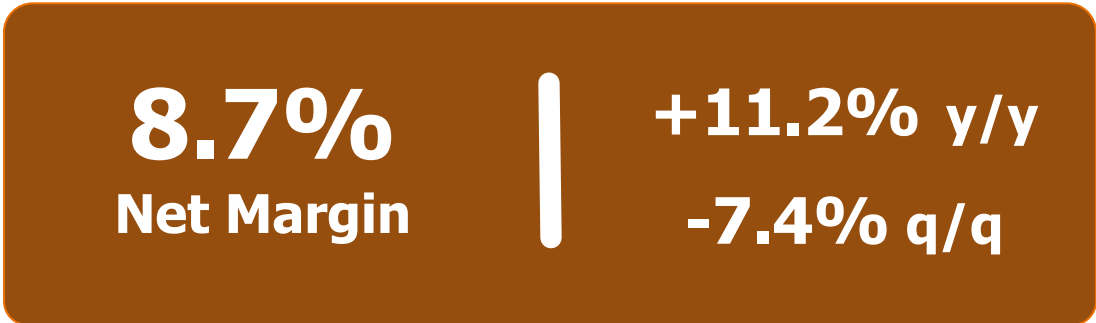
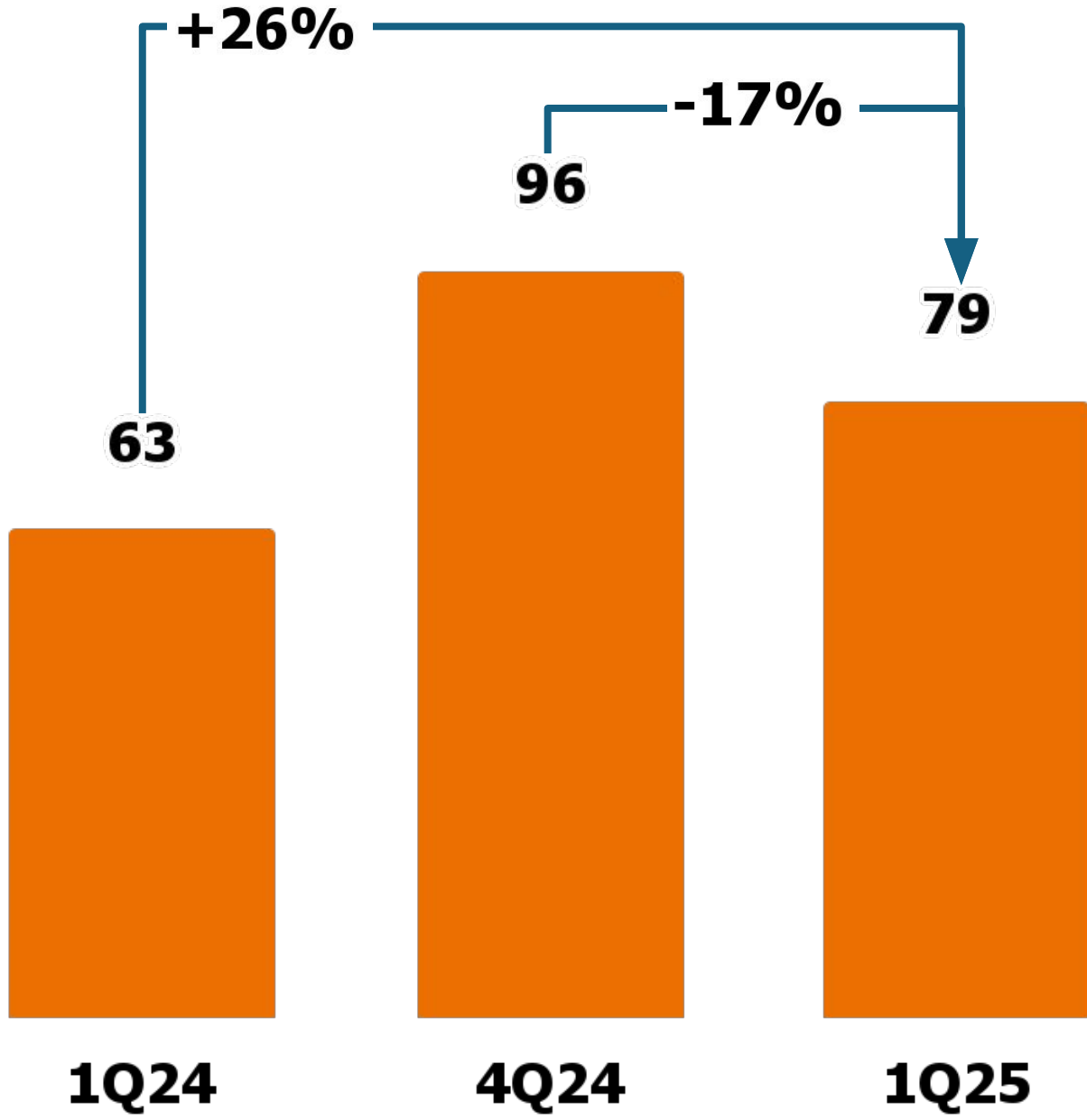
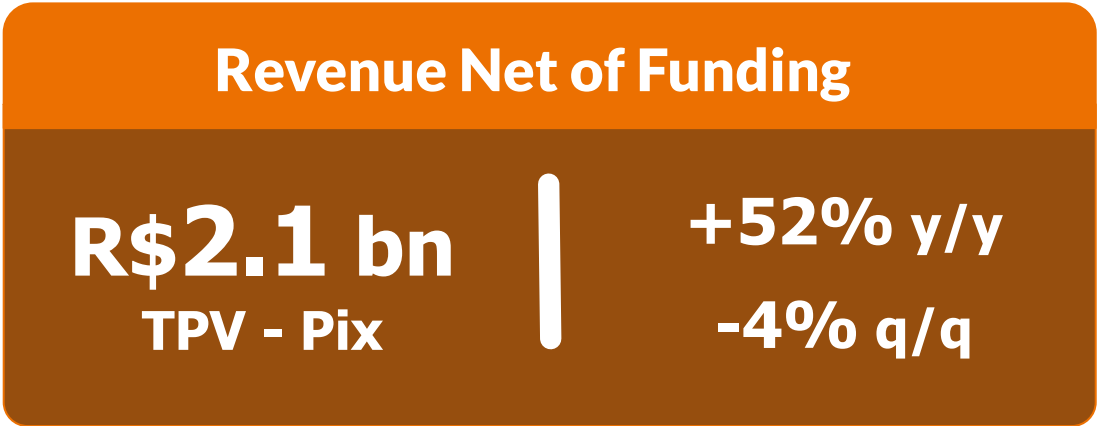
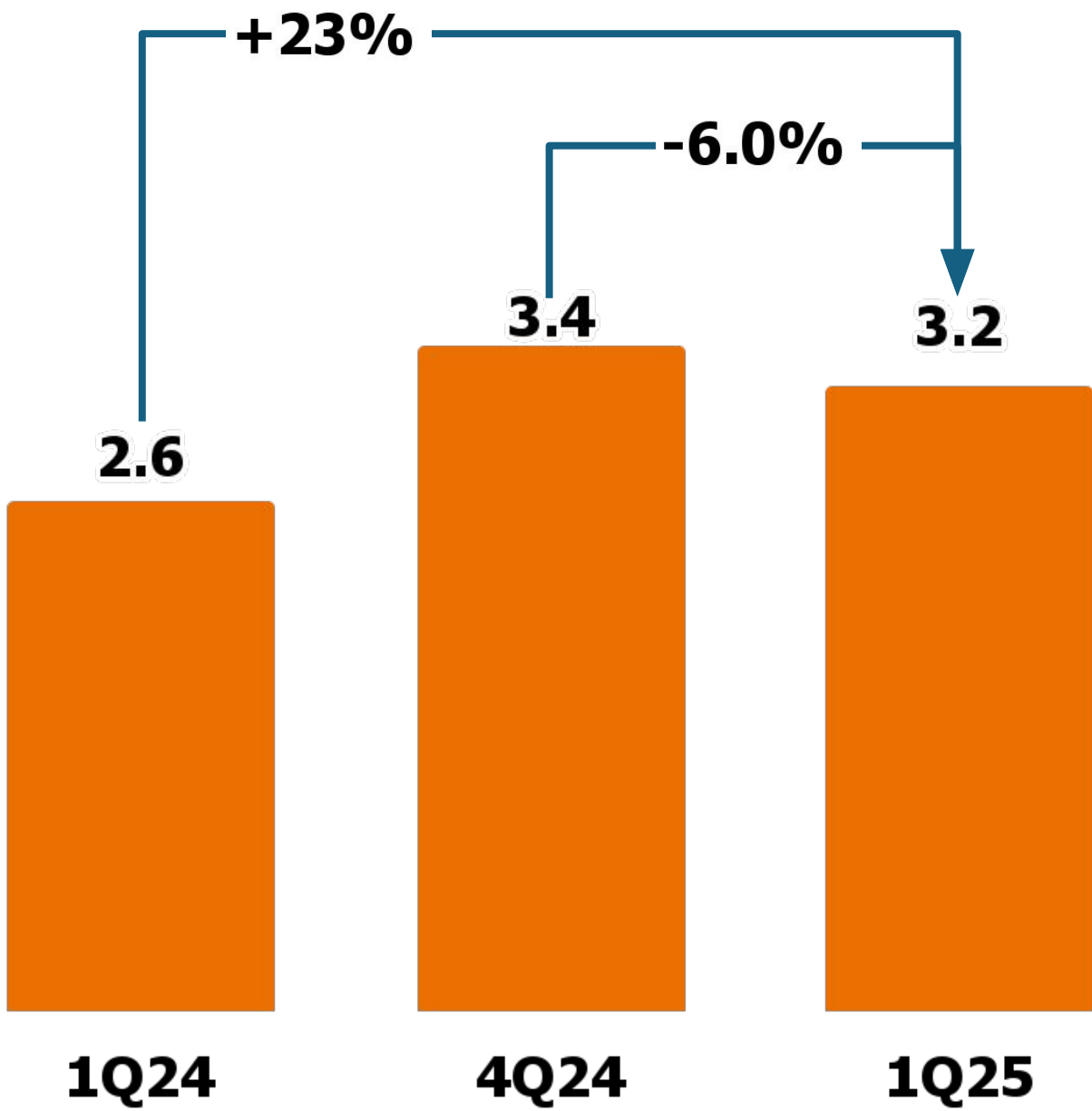




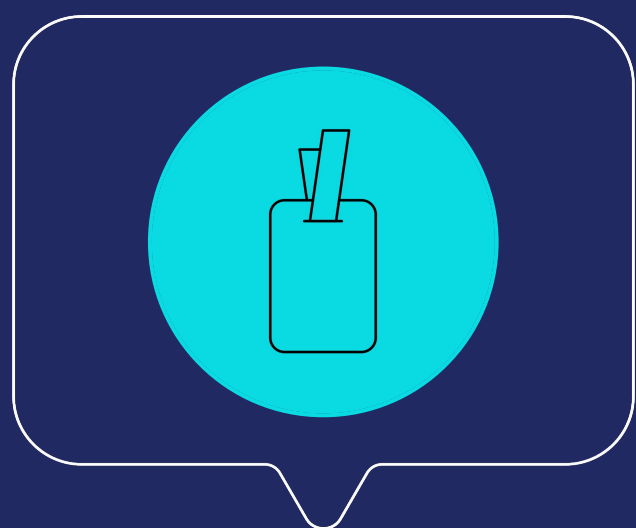
Revenue Net of Funding grew 26%, and Adjusted Net Income was 5.6x higher than in 1Q24

REVENUE

ADJUSTED NET INCOME (R\$ million)



# THANKS



## Investor Relations

+55 (11) 99585-7887

[ir@totvs.com](mailto:ir@totvs.com)



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



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



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



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



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

O Brasil

que

faz

faz

com

 TOTVS