



EARNINGS RESULTS 4Q20



/Investor Relations

February 2021

The information contained in this presentation and any forward-looking statements that may be made during the conference call, related to business outlook, operational and financial projections of TOTVS are based on beliefs and assumptions of the Company's management, as well as information currently available. Forward-looking statements are not guarantee of future 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 must understand that general economic conditions, industry conditions and other operational factors could affect future performance of TOTVS and could lead to results that differ materially from those mentioned in these forward-looking statements.



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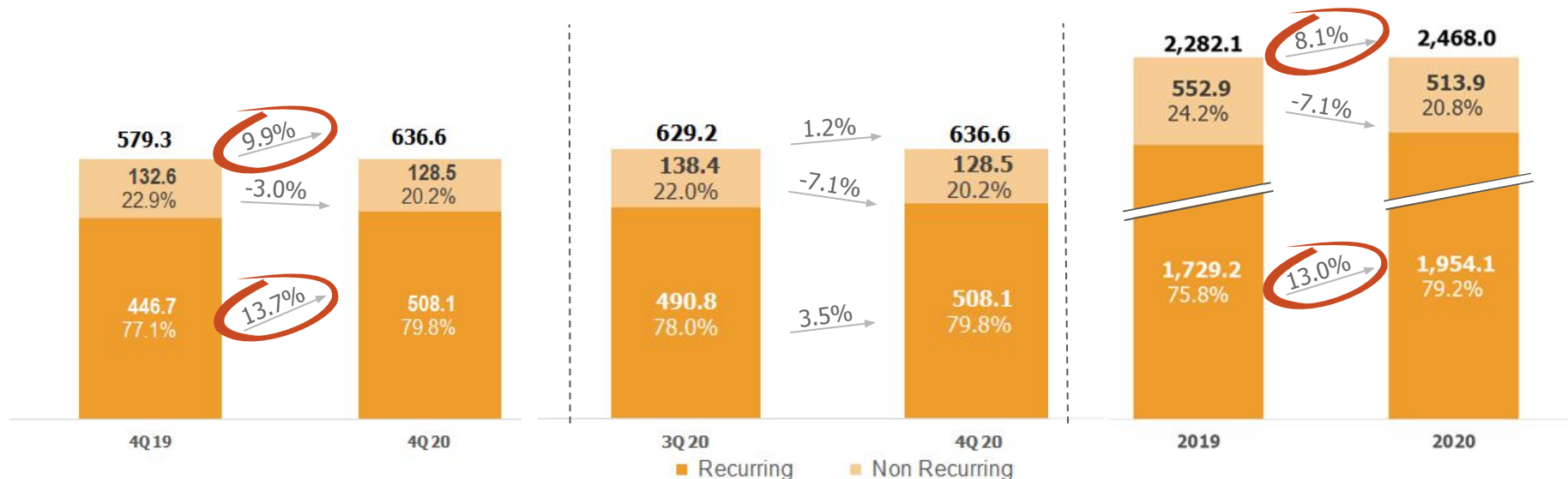
FAZ

THE BRAZIL THAT MAKES IT HAPPEN, MAKES IT HAPPEN WITH TOTVS

The strengths that brought TOTVS to its position of undisputed leadership in technology and software for companies, reflected on its campaign "TOTVS believes in a Brazil that makes it happen!", proved more real and stronger than ever in 2020.



CONSISTENT 2-DIGIT GROWTH OF RECURRING REVENUE IN ALL QUARTERS
REACHING R\$2 BILLION IN THE YEAR AND 79% OF REVENUE FROM TECHNOLOGY





RECURRENT REVENUE | TECHNOLOGY (R\$ MM)

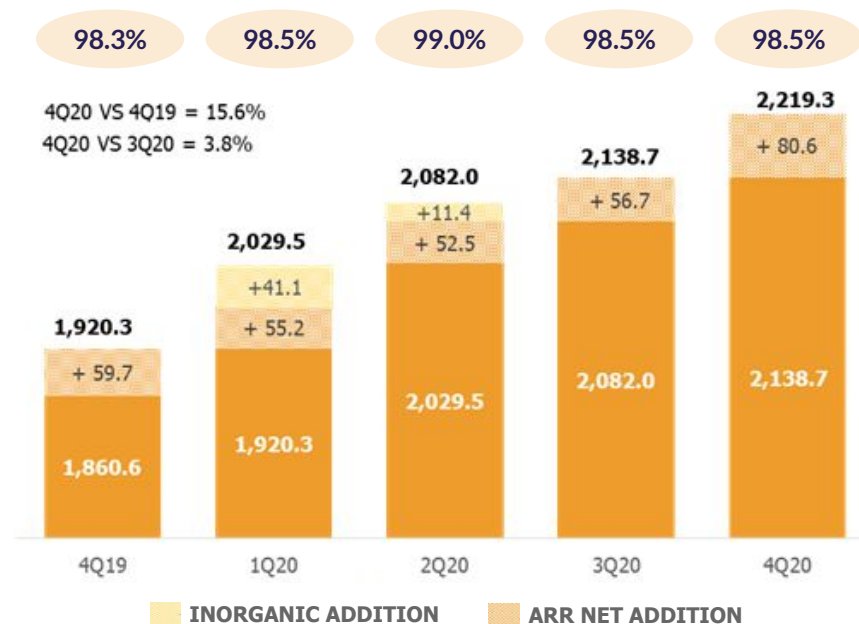
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SAAS RECURRING REVENUE **GREW 21% IN THE YEAR (27% GROWTH IN CLOUD)**
AND **QUARTERLY HISTORICAL RECORD OF ARR NET ADDITION** IN 4Q20

RECURRING REVENUE PER BUS. MODEL



ANNUALIZED RECURRING REVENUE (ARR)



RENEWAL RATE

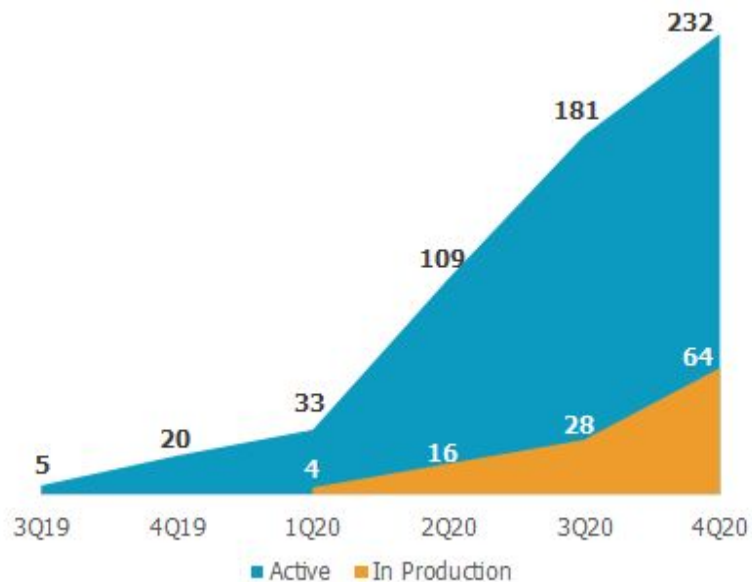


RECURRENT REVENUE | TECHNOLOGY (R\$ MM)

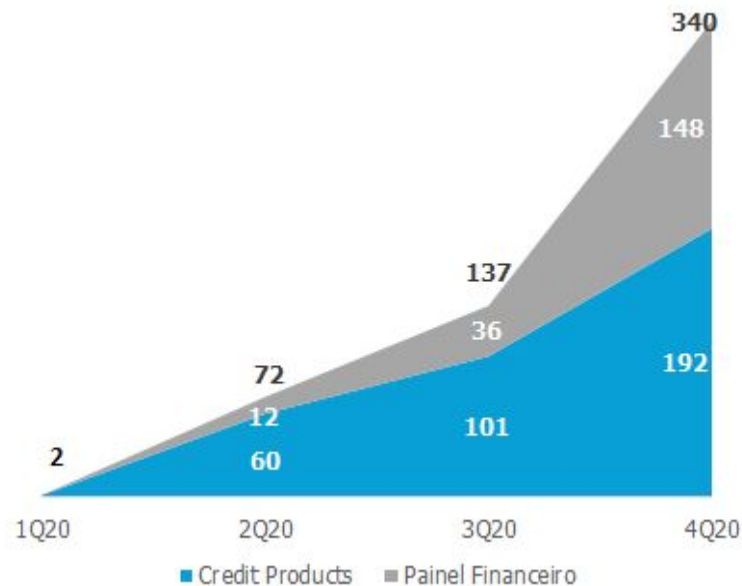
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GROWTH OF MORE THAN **11x IN CLIENTS OF DIGITAL COMMERCE** (WITH 27.6% ALREADY IN PRODUCTION)
AND ACCELERATION IN CLIENTS OF **TECHFIN PRODUCTS**

**DIGITAL COMMERCE CLIENTS
(TOTVS & VTEX)**



NUMBER OF TECHFIN CLIENTS

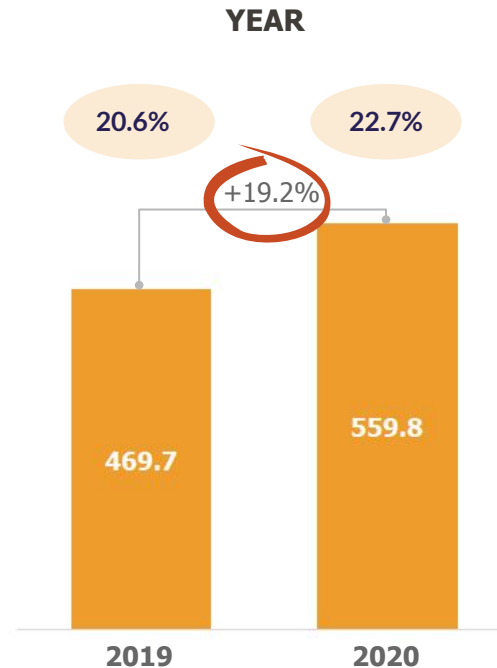
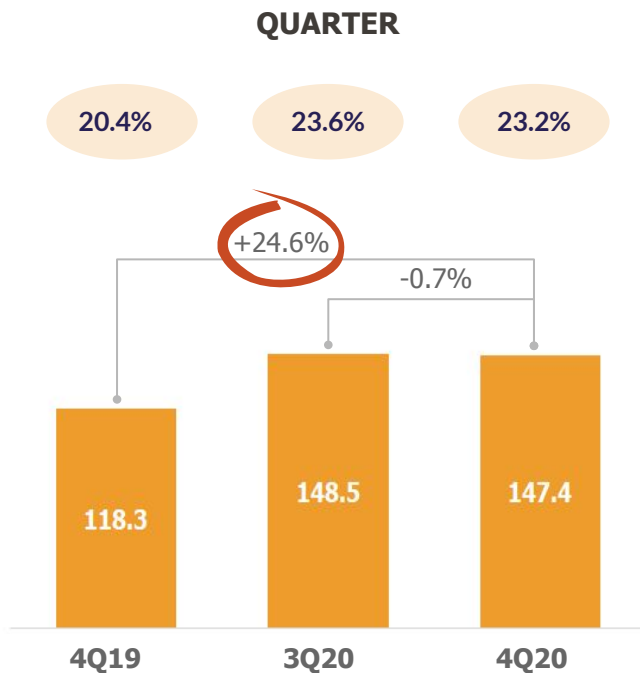




ADJUSTED EBITDA | TECHNOLOGY (R\$ MM)

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IN A CHALLENGING YEAR, **OUR OPERATIONAL LEVERAGE CAPACITY**
ENABLED A **19.2% GROWTH IN ADJUSTED EBITDA**



EBITDA

ADJUSTED EBITDA MARGIN



PORTFOLIO AND PRODUCTION | CREDIT PRODUCTS - SUPPLIER (R\$ MM)

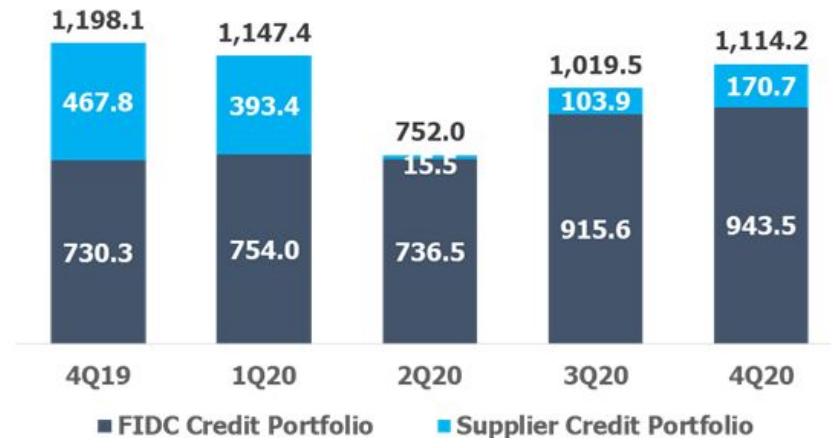
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NEW PRODUCTION ACCELERATION IN THE QUARTER CONFIRMED THE GROWTH PATH
REACHING THE HIGHEST HISTORICAL LEVEL, CLOSE TO R\$2 BILLION...

PRODUCTION



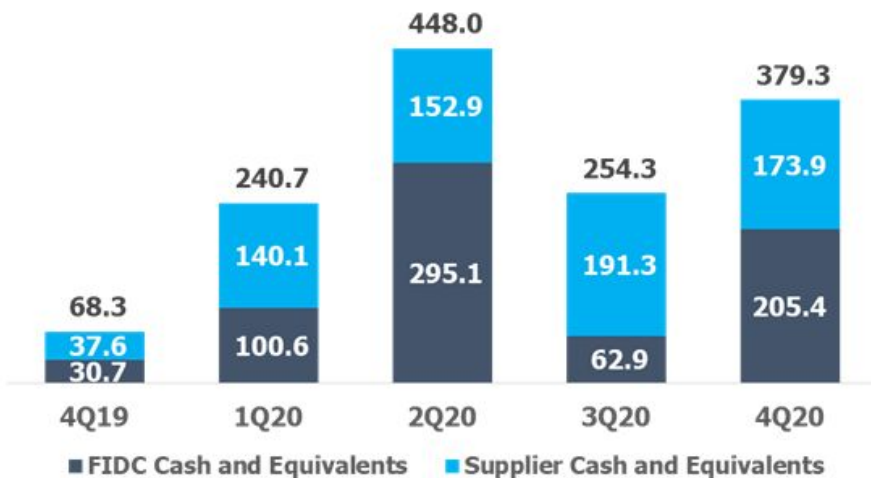
PORTFOLIO



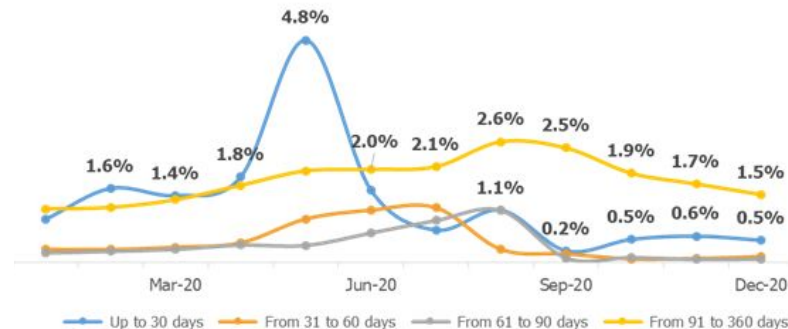


... COMBINED WITH THE **MAINTENANCE OF DELINQUENCY LEVELS** LOWER THAN PRE COVID-19...

CASH POSITION



DELINQUENCY



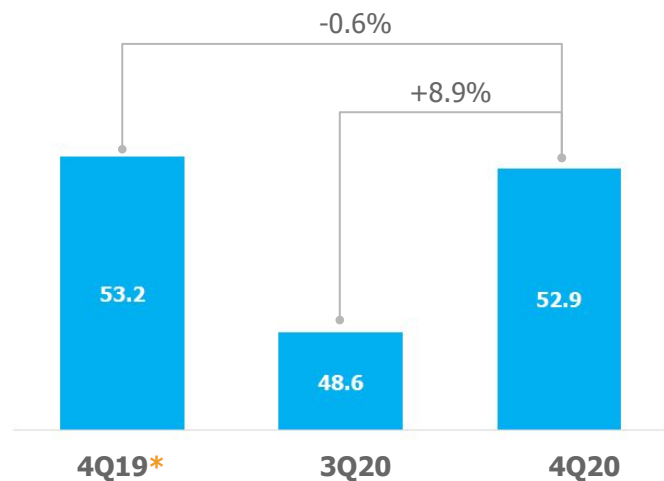
ACTUAL LOSS



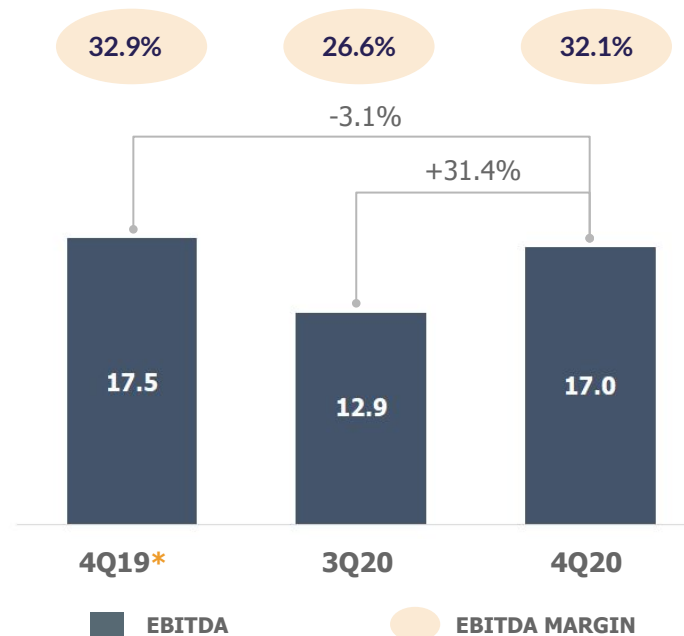


...ENABLED **ONCE MORE REVENUE AND EBITDA TO GROW**, WITH A 37% ROE
IN A YEAR IN WHICH **THE BUSINESS MODEL WAS PUT TO THE TEST**

NET REVENUE



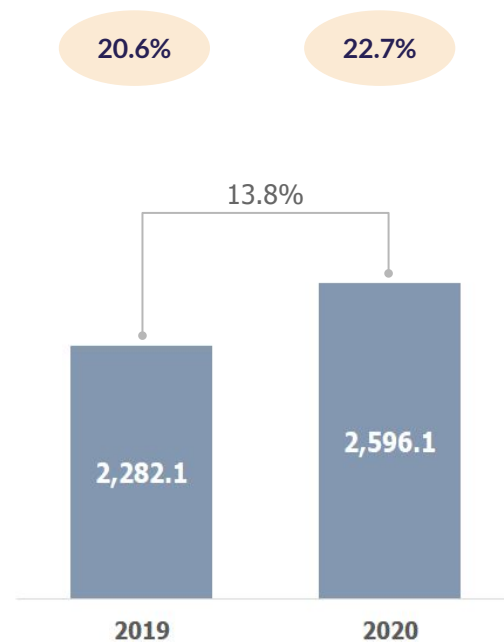
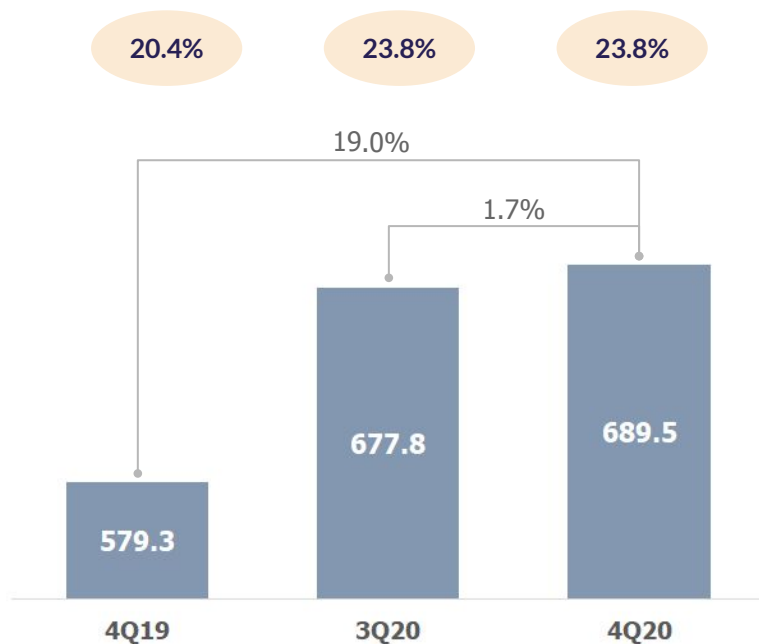
EBITDA



* Result shown strictly for the sake of comparison.



CONSOLIDATED REVENUE GREW 19% IN 4Q20 AND
ADJUSTED EBITDA MARGIN INCREASED 340 BASE POINTS OVER 4Q19

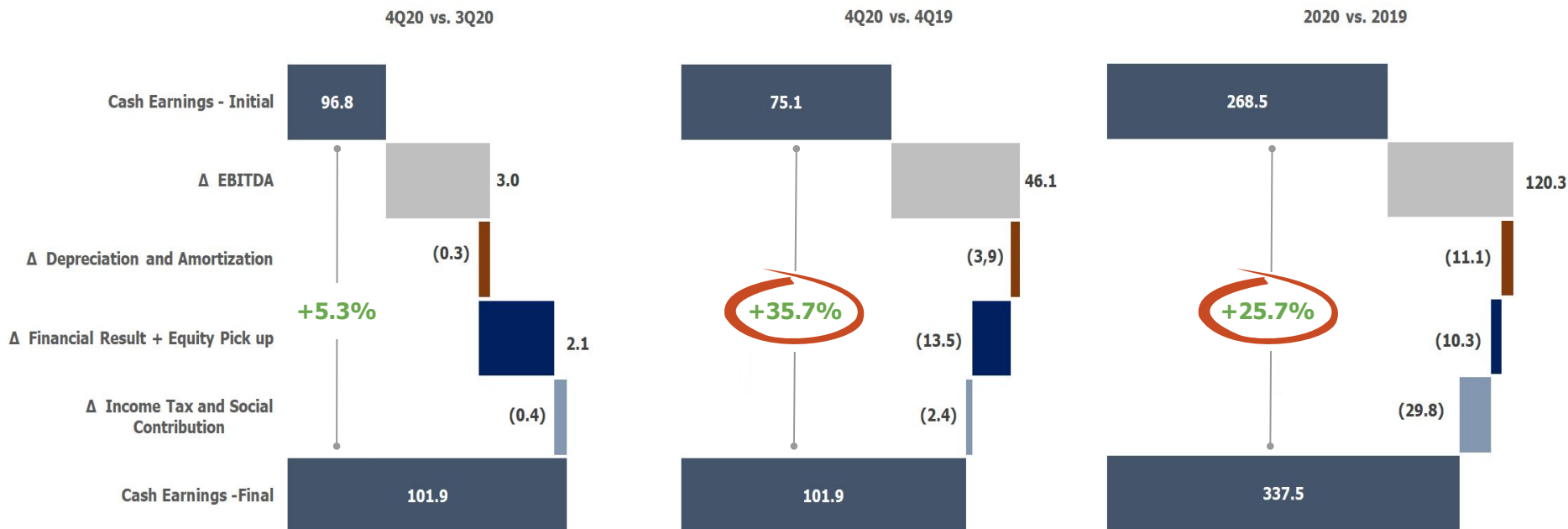


REVENUE

ADJUSTED EBITDA MARGIN



THE EXPANSION OF ADJUSTED EBITDA BOOSTED THE
25.7% GROWTH IN CASH EARNING IN THE YEAR



(i) Net Income without the effects of expenses with amortization of intangibles arising from acquisitions.

#SPEEDNESSE

#exponentialize

#digitalize

#cloudify

Thanks to our 40k+ clients who counted on TOTVS in 2020!!

Supplier's "V" recovery:
Credit Production of
R\$2 billion in 4Q20

R\$300 million addition in
ARR, reaching **R\$2,2 billion**

37.4%
Supplier ROE

Growth: **21%** in SaaS
and **25.5%** in EBITDA

IBrX 50 & MSCI

Business Performance
strengthening with the acquisitions of

90% of remote implementation

30 points increase
in **eNPS**

ESG agenda

100% Homeoffice
in our branches

96% of TOTVERS believe in the
Potential and **Future**
of TOTVS

Revenue Growth +
EBITDA Margin
>40% (4Q20)

THANK YOU



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- Technology + Knowledge are our DNA.
- Clients' success is our success.
- We value skilled people who are good people.



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