



# 2019 RETROSPECTIVE AND VISION OF THE FUTURE Investors Day

/Dennis Herszkowicz



February/2020



# 2019

IN FACTS AND DATA



Market Cap

**over BRL 15bn**



**Increased**  
customer  
**satisfaction**



Reduced  
churn



Joint Venture with VTEX



Renewal Rate of customers  
over **98%** per quarter

First Tech company  
to enter the



Sale of hardware  
operations, focus  
on software



Acquisition of Supplier  
and start of Techfin



Follow-on  
of **BRL 1.1bn**

**THE GREATEST TECHNOLOGY COMPANY OF BRAZIL**



New marketing  
campaign

**BRAZIL THAT  
MAKES IT HAPPEN**



**Double Digit**

growth in recurrence  
and licenses in all  
quarters



**Record** share value  
with a high yield of  
**138%** in 2019  
(~20% YTD20)



**Successful**  
succession of  
founder



**35.4%** EBITDA  
adjusted growth



**Over 1000**  
**new customers**  
in subscription model

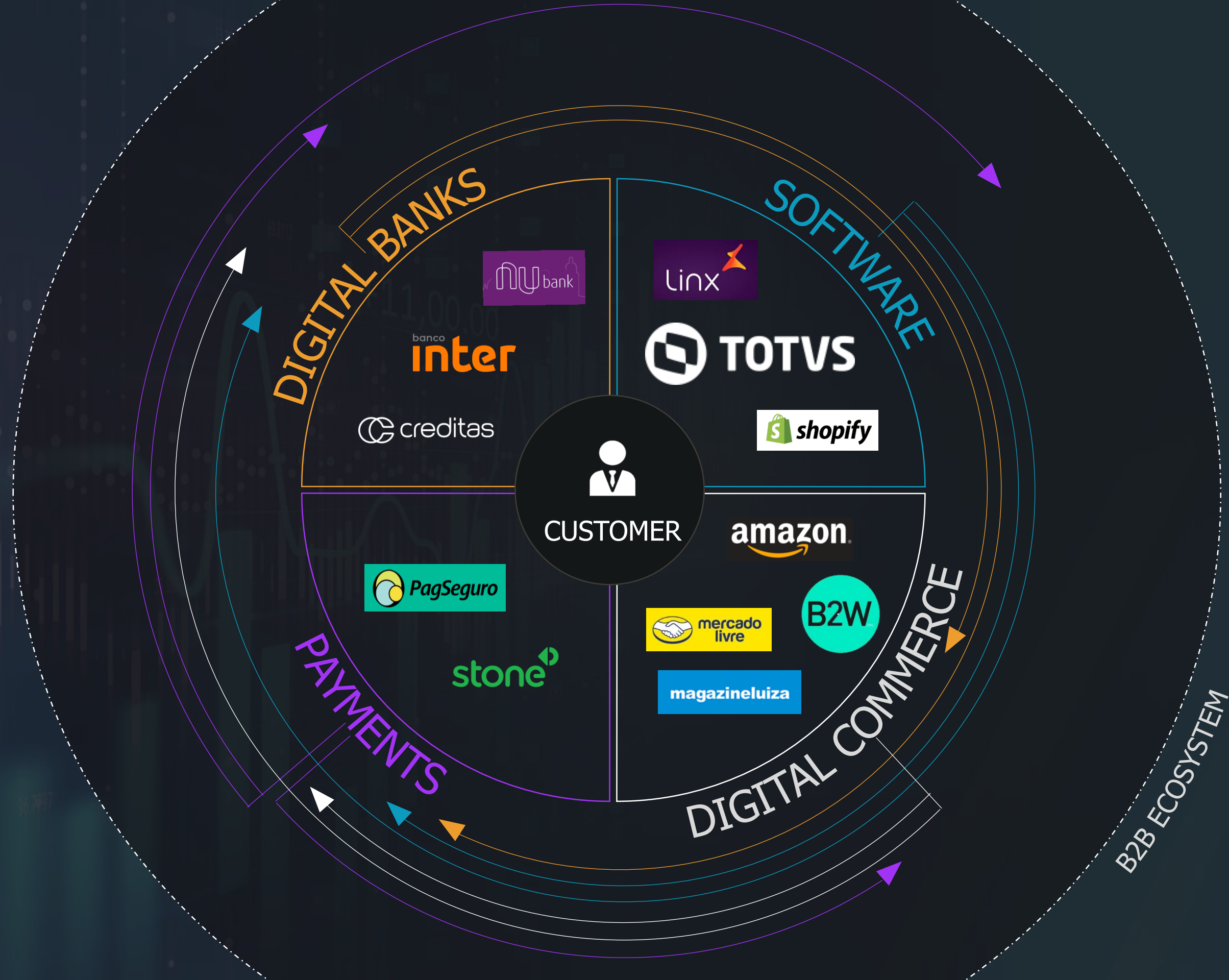


**consinco**

Acquisition of Consinco



# WHAT IS HAPPENING IN THE MARKET?







# WHAT IS HAPPENING IN THE MARKET?

## Our Fortresses

1. High degree of lock-in
2. High capillarity distribution model
3. Proximity and partnership with customers
4. Solutions for companies of all sizes and segments

## Our Challenges

1. To enhance the access to and the use of Big Data
2. To enhance the Customer Experience



# WHAT DO WE WANT TO BE?

We want to increase the  
efficiency and profitability of  
companies, **through technology.**





- **We seek** business models that generate a high degree of synergy with customers, predominating recurrent revenues and lightweight assets
- **We believe** these characteristics allow us to create businesses with sustainable growth, high profitability and with professionals experiencing a feeling of ownership and long term vision
- **Allowing** the ongoing search for new opportunities

# WHAT DO WE WANT TO BE?

We want to increase the efficiency and profitability of companies, **through technology.**



**WHICH  
POSITION  
DO WE  
WANT TO  
HOLD?**





# ECOSYSTEM

## MANAGEMENT

ERP  
HR  
Verticals



## TECHFIN

Credit  
Services  
Payments



## BUSINESS PERFORMANCE

Marketing  
Sales







# HOW





# HOW WILL WE BE THIS?

11



- By focusing on the customer and **contributing to his success**
- With disciplined execution and **focused efforts**
- **By recognizing the importance of all stakeholders** found in the TOTVS ecosystem
- By attracting professionals with a **feeling of ownership**
- With compensation systems that ensure **alignment and engagement**, favoring the **long term vision**
- By developing a **culture that's light, collaborative, inclusive and respectful**

# /// HOW TO GET THERE

12



- By focusing on **Recurrent** solutions
- By increasing the **share of wallet**
- By executing the **Techfin** strategy
- **By performing M&A** in accordance with the pillars of our strategy
- **By enhancing Distribution**
- **By expanding the Telemetry** and gauging **Horizontal and Vertical investments**
- By focusing on **quality and customer satisfaction**
- By raising our **employer branding**



***Faster economy***



***Lower unemployment***



***Lowest Inflation & Interests in history***



***Recovery of investments in the country***

**perspectives**  
**2020**





# 2020 CAMPAIGN

**TOTVS  
BELIEVES  
IN BRAZIL  
THAT  
MAKES IT  
HAPPEN**

**FAZ**





A  
TOTVS  
ACREDITA  
NO  
BRASIL  
QUE

**FAZ**

## The Brazil that **GETS IT DONE,** **GETS IT DONE** with TOTVS

*What moves so many companies in the four corners of Brazil toward their dreams? What makes them go ahead in spite of the challenges? **DOING IT!** No matter how many times. Do it, test it, get it wrong, and learn it. This is the force that makes companies of all sizes overcome obstacles every day in our country. We are proud to be part of so many stories. Of helping so many customers to innovate, grow and perpetuate their businesses.*

**TOTVS believes in Brazil that makes it happen**

# FILME

A TOTVS Acredita no  
Brasil que FAZ – 60”

Create

Watch

Log in

Join

15



Follow

Comments ▾

Party Summer Vacation



# THANK YOU



**DENNIS HERSZKOWICZ**

CEO

- Technology + Knowledge are our DNA
- The success of our client is our success
- We value competent people who are nice people



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**#WEARETOTVERS**





# RESULTS AND VALUE GENERATION



/ Gilsomar Maia Sebastião - CFO

February 2020



# OPERATIONAL AND FINANCIAL PERFORMANCE





# 2019 RESULTS

+8.1%

Revenue  
Growth

(2019 vs 2018)

+11.8%

Recurring  
Revenue  
Growth

(2019 vs 2018)

+35.4%

EBITDA  
Growth

(2019 vs 2018)

+420 bp

EBITDA  
Margin  
Growth

(2019 vs 2018)

- **2 DIGITS GROWTH** OF RECURRING REVENUE IN ALL QUARTERS OF 2019
- **HIGH RENEWAL RATE + STRONG SALES VOLUME = PREDICTABILITY AND SUSTAINABILITY**
- **SCALABILITY OF BUSINESS + MANAGEMENT DISCIPLINE = EBITDA EXPANSION**

**In 2019, 75% of Revenues were from  
Recurring nature!**

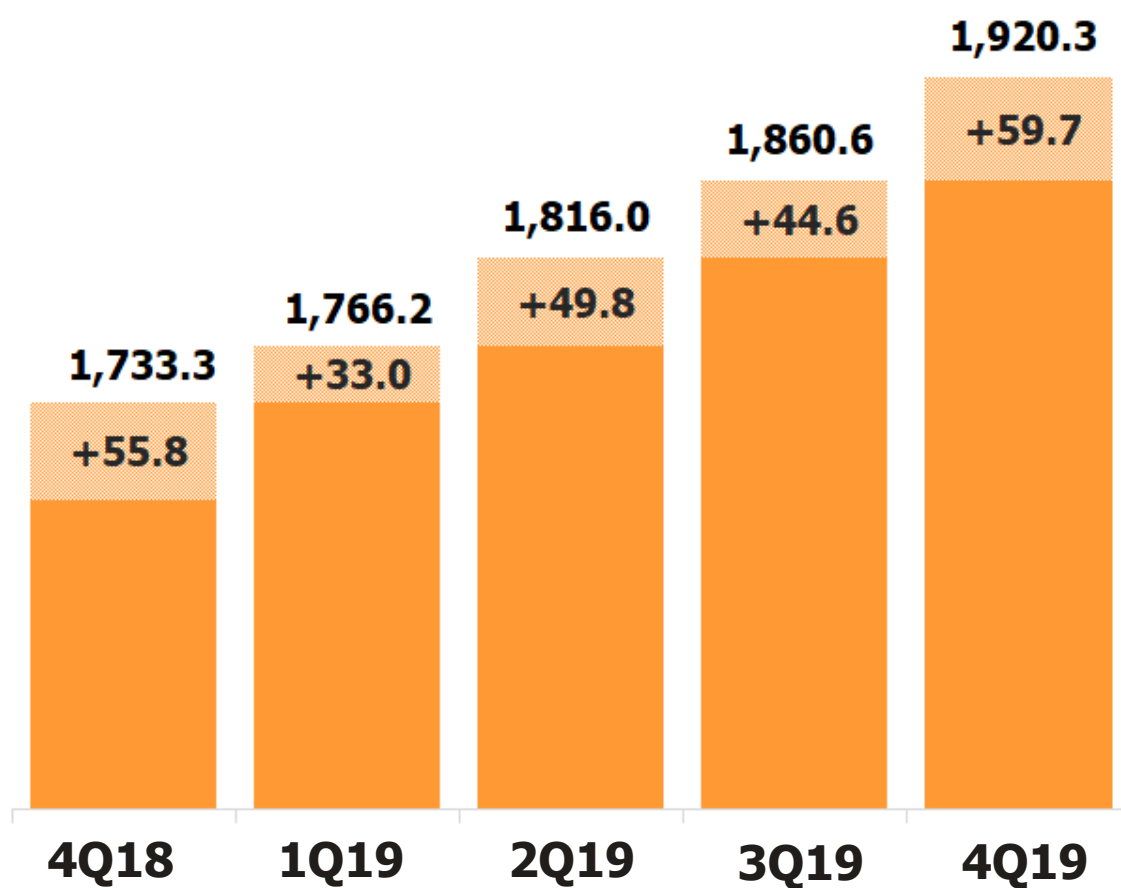
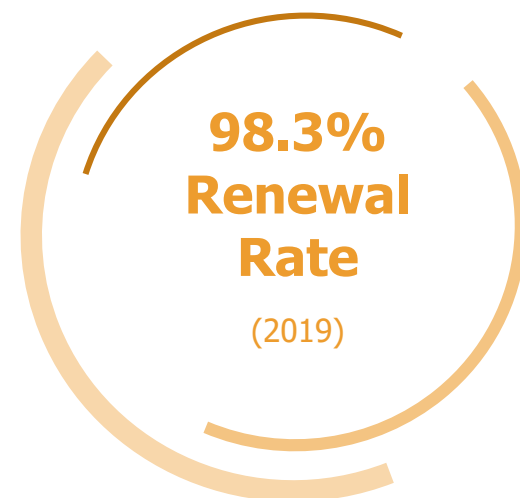






# RECURRENCE

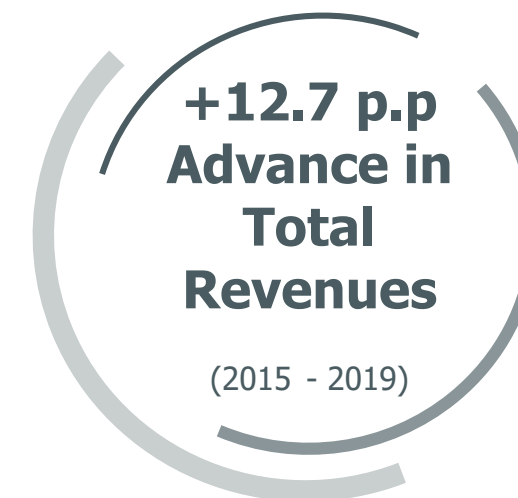
**+11.8%** of growth in  
**Recurring Revenue**  
(2019 vs. 2018)



**ARR NET ADDITION**



**% OF RECURRING REVENUE IN TOTAL REVENUES**

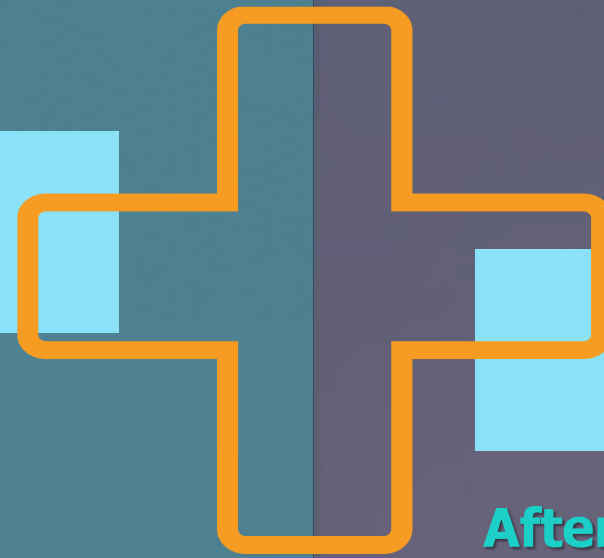


# RECURRENCE

Predictability

Profitability

Sustainability



# LOCK-IN

After Sales

Sale



Maintenance

Implementation

## POWERFUL BUSINESS MODEL





# OPERATIONAL EFFICIENCY



In Basis Points

● EBITDA Margin

\* With IFRS 16 effect





# NEW INVESTMENT CYCLE





# M&A & PARTNERSHIPS

NEARLY 60% OF THE PROCEEDS OF THE FOLLOW-ON  
WERE ALREADY SPENT IN M&A OPERATIONS

## UNIQUE PLAYBOOK BASED ON FOUR KEY PILLARS

### 1st PILLAR

Reinforcing/Defending  
the Core

### 2nd PILLAR

Deepening into  
Segments

### 3rd PILLAR

Cross-Sell Solutions

### 4th PILLAR

New Markets



## MANAGEMENT



## TECHFIN



## PERFORMANCE

### OPPORTUNITIES IN MANAGEMENT

1 ERP / HR



consinco

2 Verticals



### OPPORTUNITIES IN TECHFIN

1 B2B Credit



Supplier

3 Payments

Retail



rede

Education

2 Payroll Credit

### OPPORTUNITIES IN PERFORMANCE

1 E-Commerce



VTEX

3 CRM



master  
crm • sales • b2b

2 OMS



MODDO

4 Other  
Initiatives



# RELATIVE VALUE

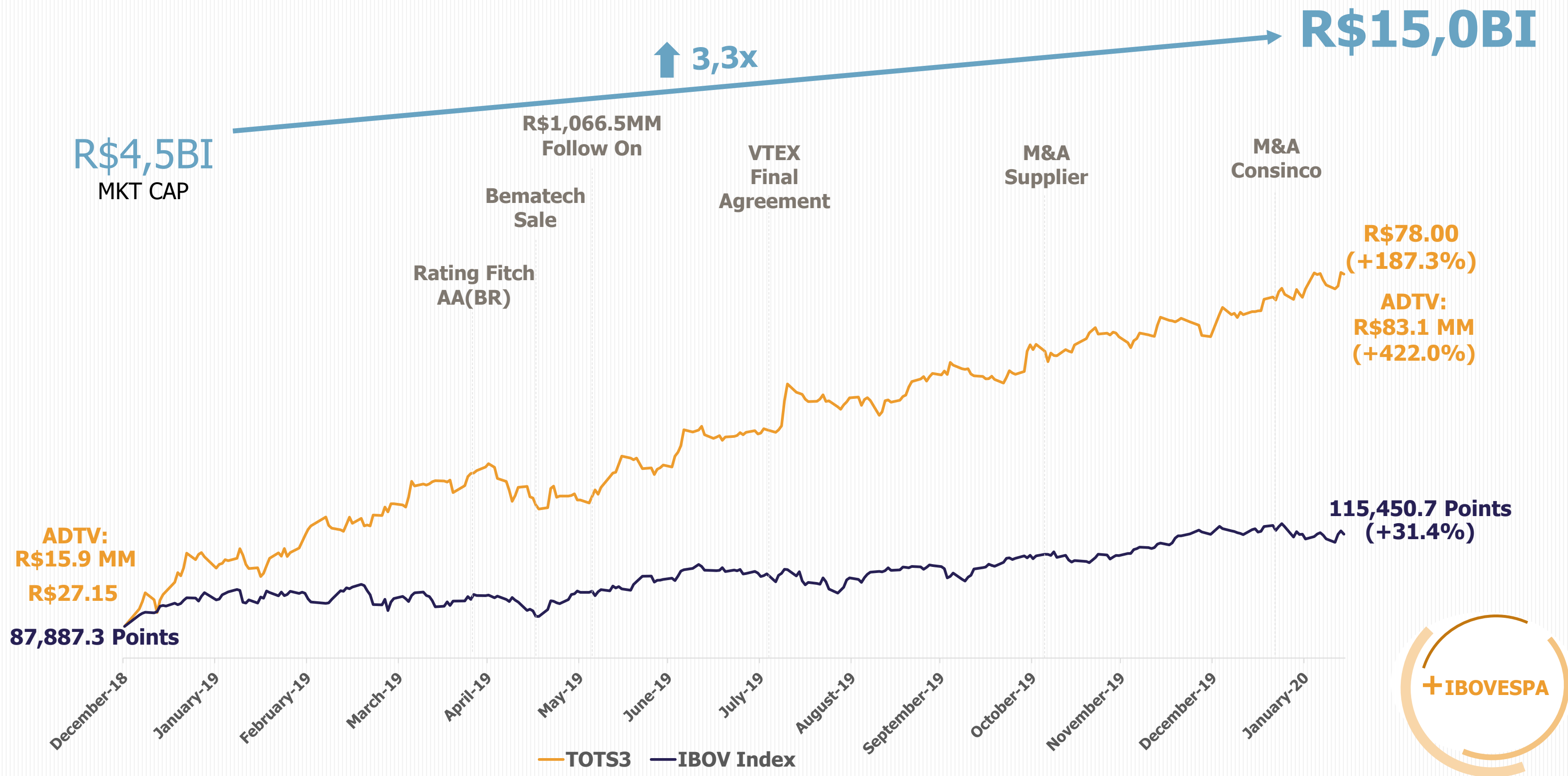






# TOTS3 e IBOV 2019 EVOLUTION

26





# TOTS3 vs. IBOV PERFORMANCE (2014 – 2020)

27



**2019 RECOVERY MOVEMENT ONLY CLOSES THE GAP OPENED BETWEEN 2016-2018**







# RELATIVE VALUE

28

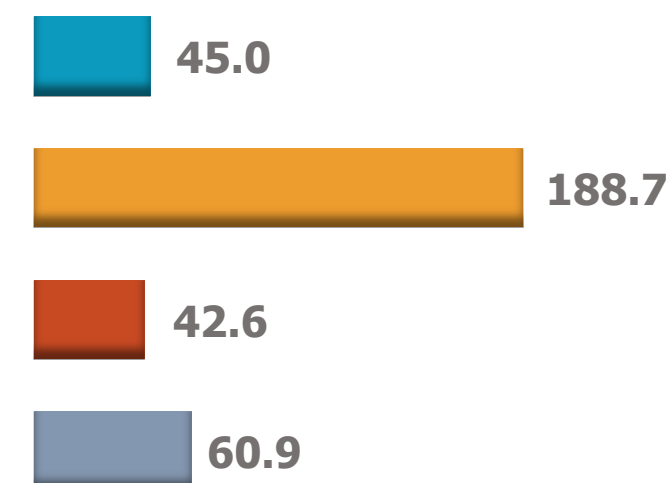
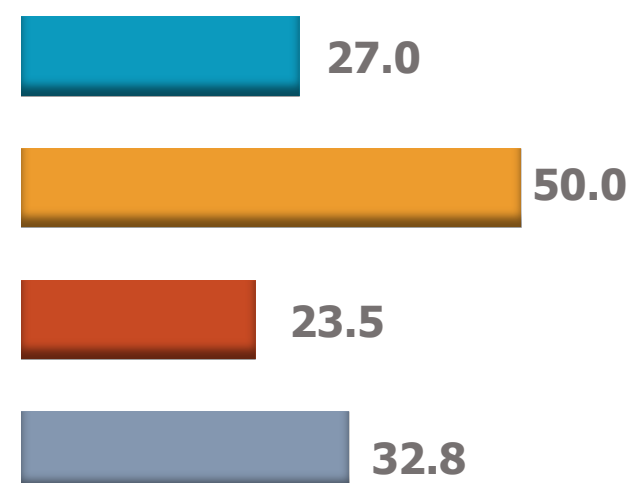
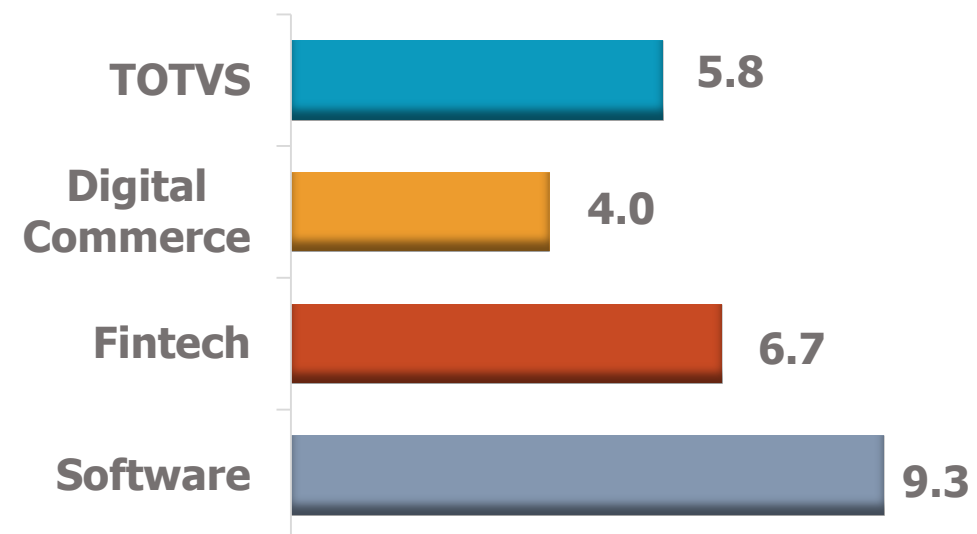


## P/REVENUE

## P/EBITDA

## P/E

2020





# THANK YOU



**GILSOMAR MAIA**

CFO

- Technology + Knowledge are our DNA
- The success of our client is our success
- We value competent people who are nice people



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# HUMAN CAPITAL

Investors Day

/Izabel Branco



February/2020



# PEOPLE ARE OUR RAW MATERIAL

31



## By Geographical Location

~6.8k in Brazil



BRA



ARG



MEX



USA



RUS



COL



CHL



POR

## By Gender



67%



33%

## By Leadership Position



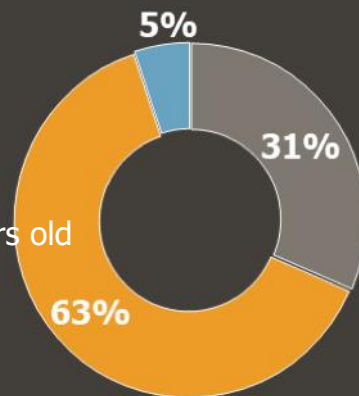
68%



32%

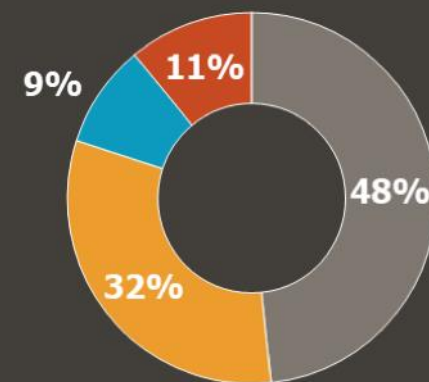
## By Age Bracket

- Up to 30 years old
- From 30 to 50 years old
- Over 50 years old

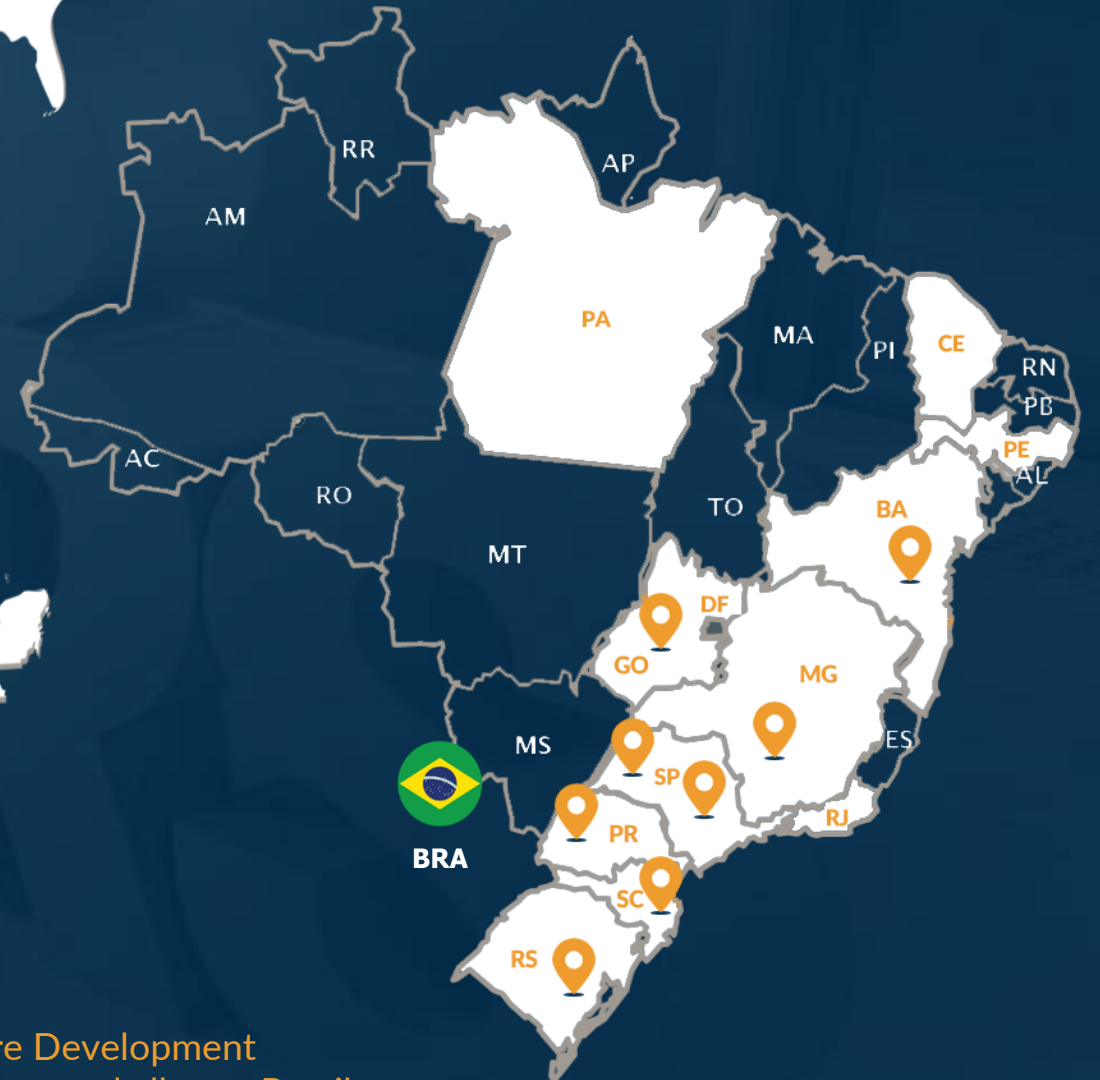


## By Activity Performed

- Services
- R&D
- Sales
- Management / Other



# Over 7 Thousand TOTVERS



Software Development Centers spread all over Brazil and abroad

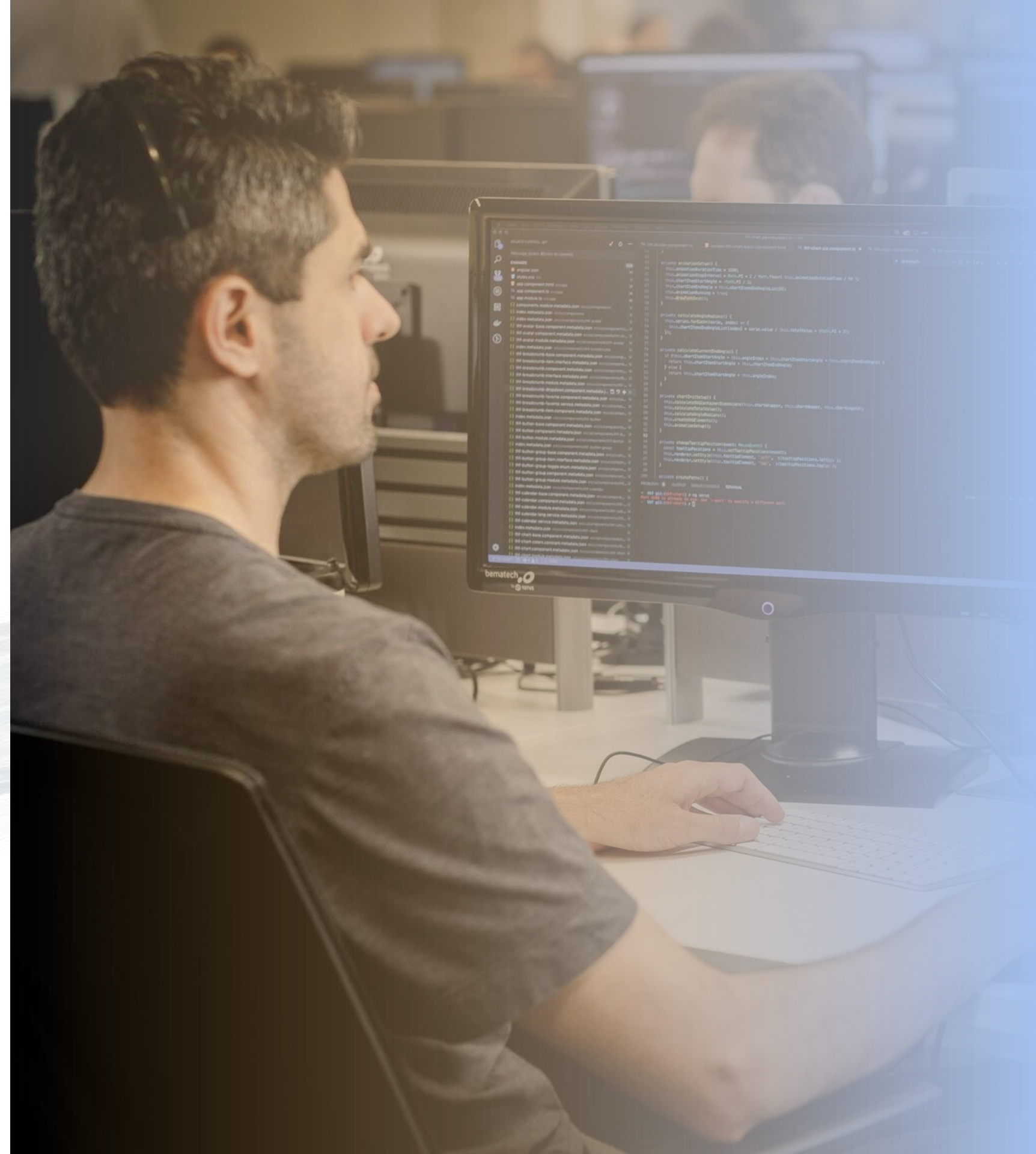




THE STRENGHT OF OUR **CULTURE**

# Technology + Knowledge are our DNA

We are creative and not afraid to fail...







# The Customer's Success is Our Success

We are present and close to our  
customers...







THE STRENGTH OF OUR **CULTURE**

**We value good  
professionals who are  
good people**







# ENGAGEMENT SURVEY

---

- 92%** I believe in the potential and future of TOTVS
  - 88%** I am proud to work here
  - 82%** My leader grants me autonomy
  - 86%** My leader acts in accordance with the culture
- 

**2019 RESULT**





# MARKET TALENTS

## REPRESENTATIVENESS WITH OUR CORE PUBLIC

- Over 3000 interactions with **College Students**
- Over 100 events with the **Tech Public**
- Over 8000 **Devs** in the Community
- Over 1200 people hired in 2019
- Over 2 million **young adults** graduated by IOS

## CROSS – SECTOR ATTRACTIVENESS

- **TechFin**: 26 senior managers hired in 2019
- **Attraction of executives** from the retail, financial and logistics sectors

## TALENT MANAGEMENT

- 358 people in the company with **Long-Term Incentives**
- Over 92% retention of **senior professionals** of our core
- Over 91% **retention of TECH leaders** and specialists





# THANK YOU



**IZABEL BRANCO**

Human Relations Vice President

- Technology + Knowledge are our DNA
- The success of our client is our success
- We value competent people who are nice people



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# CUSTOMER JOURNEY AND DISTRIBUTION PLATFORM Investors Day

/ Alexandre Apendino



February/2020



# TOTVS SALES MACHINE



# TOTVS DISTRIBUTION MODELS

40

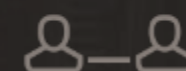


## Own units + TOTVS Franchise Network

## Independent Verticals



### COMPANY SIZE



### HOW WE RELATE

**Large Companies**  
Revenues above  
BRL 1billion

**Large Enterprise**  
**Own branch**

**Small and Medium  
Sized Businesses**  
Revenues above  
BRL 5 million

**Franchises**  
**Own branches**

**Micro-enterprises**  
Revenues below  
BRL 5 million

**Digital**  
**Multichannel**

**FINANCIAL  
SERVICES**

**HOSPITALITY**

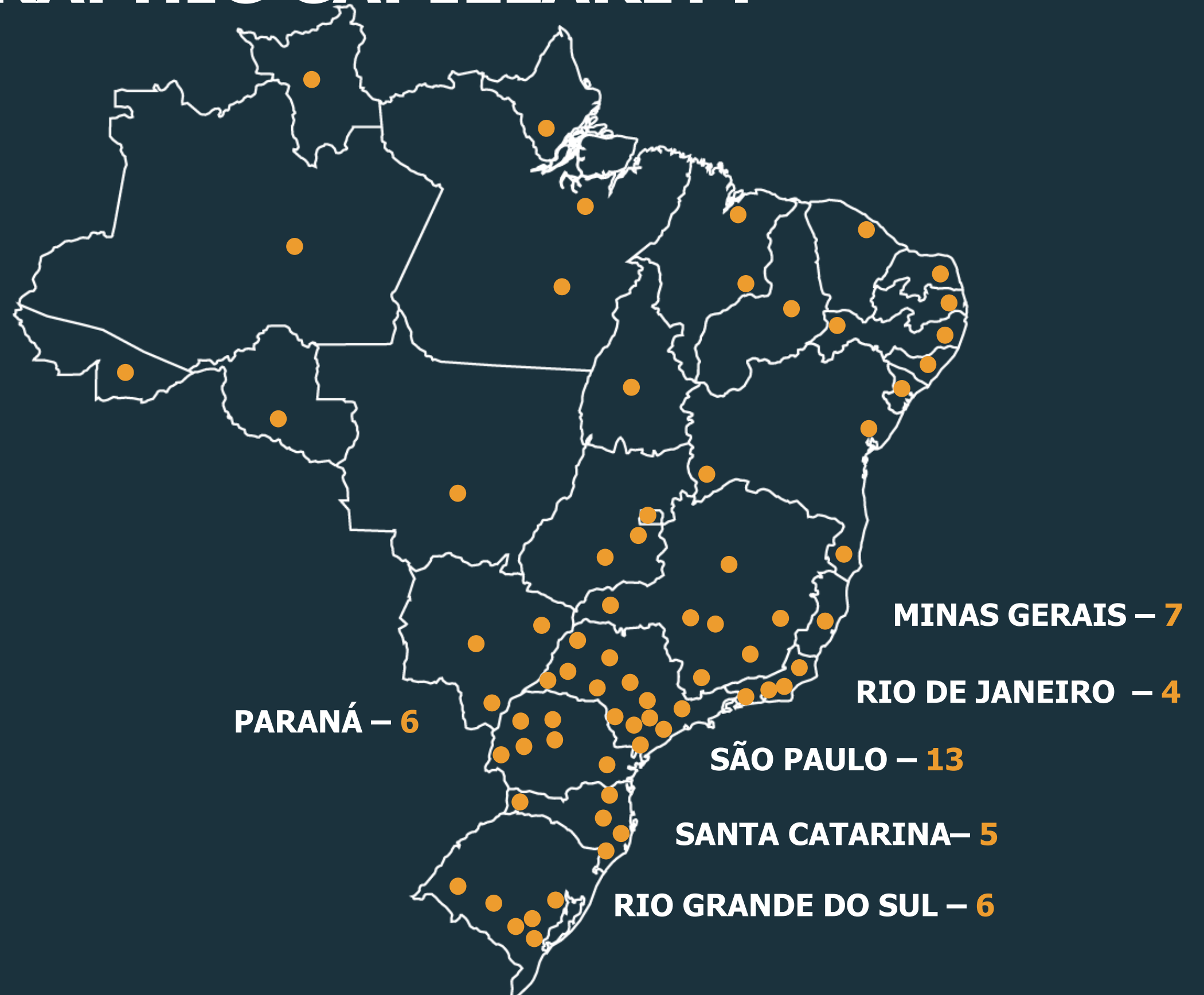
**FOOD  
SERVICE**





**More than 65  
company owned  
offices and  
franchises  
throughout Brazil**

**TOTVS  
EXCLUSIVES**







# **DIFFERENTIALS**

## **TOTVS**

## **FRANCHISING**

## **MODEL**

# /// DIFFERENTIALS OF THE TOTVS FRANCHISING MODEL

43



Regional **CAPILLARITY** – all States and large hubs with TOTVS offices

More than **650 people in the marketing and sales area**. More than **3.000 people in the services deployment area**

**Almost half of new sales** are closed through **the TOTVS franchising network**

**REGIONAL** experience: regional **accent**, regional **knowledge** and regional **entrepreneur**

**QUALITY:** standardization of sales, service and of deployment of TOTVS solutions throughout the territory of Brazil

COMMITMENT TO TOTVS: **Exclusiveness** in distributing TOTVS solutions





# TOTVS DIFFERENTIALS

- 1. TOTVS Customer Service Theory (customer service and relationship): the same team that sells also renders the service**
- 2. Centralized Management of goals: central management of all goals of units and sales representatives (own network, franchised and independent verticals)**
- 3. Commitment of ECOSYSTEM with TOTVS results (exclusiveness)**
- 4. Strong sales execution discipline**
- 5. Territory both geographic and segmented.**



# WHAT ARE WE DOING TO GROW IN 2020?



# /// **WHAT WE ARE DOING TO GROW - 2020**

46



Increasing the number of QUOTA CARRIERS (sales reps): **Company owned and franchised units**

**Improved product quality and customer satisfaction indexes:** greater number of satisfied references = more sales

Changed Quota Carriers compensation model: **more incentives for solution sales with recurring revenue**

**INCREASED MARKETING INVESTMENTS**

New franchisees: **entry of new franchisees (next generation)**

**EXPANDED SOLUTIONS PORTFOLIO (VTEX, CRM, APPS, etc)**



# HOW WE DISTRIBUTE NEW SOLUTIONS

A group of diverse business professionals in a meeting. In the foreground, a woman with dark hair, wearing a light blue sweater, is pointing at a laptop screen. Next to her, a man with glasses and a beard, wearing a blue patterned shirt, is looking at the screen with a thoughtful expression. In the background, other people are visible, including a man in a white shirt and a woman in a white headscarf. The scene is set in a modern office environment with warm lighting. The text "HOW WE DISTRIBUTE NEW SOLUTIONS" is overlaid on the left side of the image in a bold, sans-serif font. The word "NEW" is highlighted in orange, while the other words are in dark blue. The page number "47" is in the top right corner.



# /// PREMISES FOR LARGE SCALE DISTRIBUTION

48



Solution with potential customers in the main geographical regions of Brazil (**capilarity**)

Solution **specifically focused** on a customer size (example: SMB)

Solution **tailored to fit** a specific area or need of the customer

**Standardized** Solution

**YES:** standard distribution

**NO:** vertical distribution

## VTEX CASE

***CAPILARITY***

***STANDARDIZED***

***MATCHES A SPECIFIC AREA***

\$

***PIPELINE and SALES***

\$



# THANK YOU



**Alexandre Apendino**

Chief Commercial Office

- Technology + Knowledge are our DNA
- The success of our client is our success
- We value competent people who are nice people



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# CORE BUSINESS PLATAFORMAS Investors Day

/Gustavo Bastos



February/2020

## > Platforms and IT VP

The Platforms VP is responsible for “horizontal” products and solutions that permeate the entire portfolio, covering the following themes:

> ERP Products

> HR Products

> CRM

> Technology, Framework & Fluig

> Cloud

> Corporate Engineering

> LABs

> TOTVS internal IT\_\_





**MODERNIZATION  
OF  
APPLICATIONS**

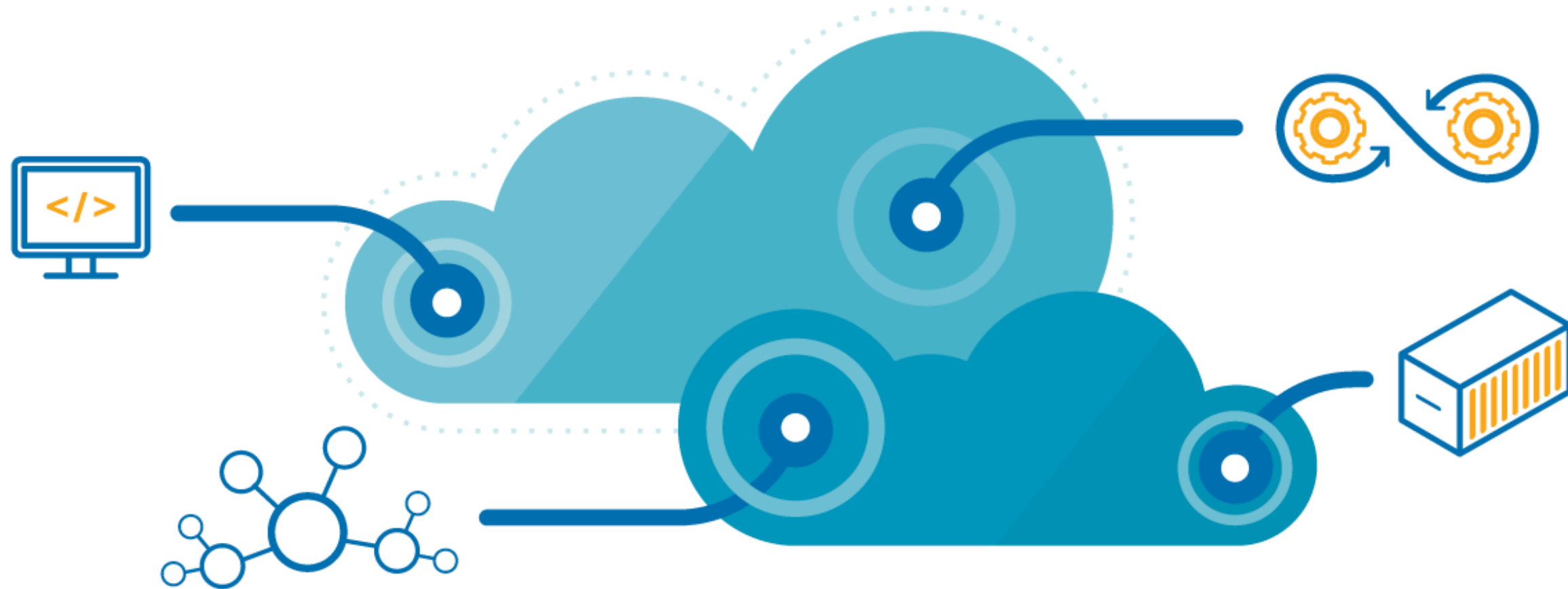
**TELEMETRY AND  
UTILIZATION  
BEHAVIOR**

**INTEGRATION**

**USABILITY AND  
FUNCTIONAL  
EVOLUTION**

**SECURITY  
AND PRIVACY**





Approach to **create** and **execute** software that exploit the advantages of the **cloud** delivery **model**. The main purpose is concerned with **how** the software are created and deployed, not **where**.





# WE SERVICE DIFFERENT UTILIZATION MODELS

| OnPrem                    | PaaS                      | SaaS                      |
|---------------------------|---------------------------|---------------------------|
| Configuration of Services | Configuration of Services | Configuration of Services |
| Data Entry                | Data Entry                | Data Entry                |
| Applications              | Applications              | Applications              |
| OS                        | OS                        | OS                        |
| Virtualization            | Virtualization            | Virtualization            |
| Network                   | Network                   | Network                   |
| Infrastructure            | Infrastructure            | Infrastructure            |
| Facilities                | Facilities                | Facilities                |
| CLIENT                    | PROVIDER                  |                           |

- Environment
- Customizations
- Life Cycle
- Infrastructure
- Security and Governance



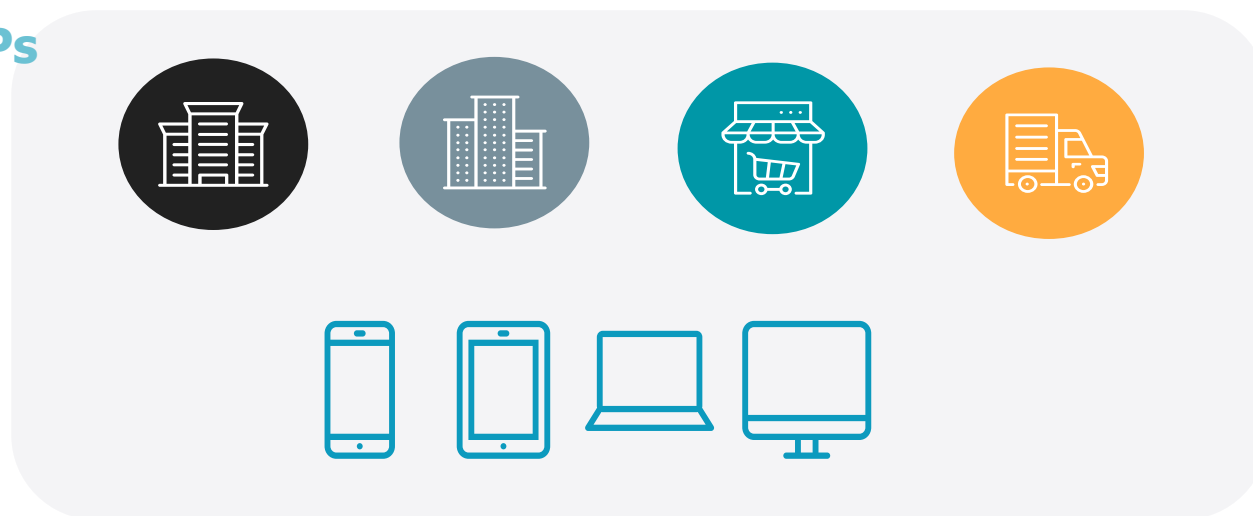
# SMART & MULTICLOUD APPROACH

55



TOTVS APPs  
Platform

1



2

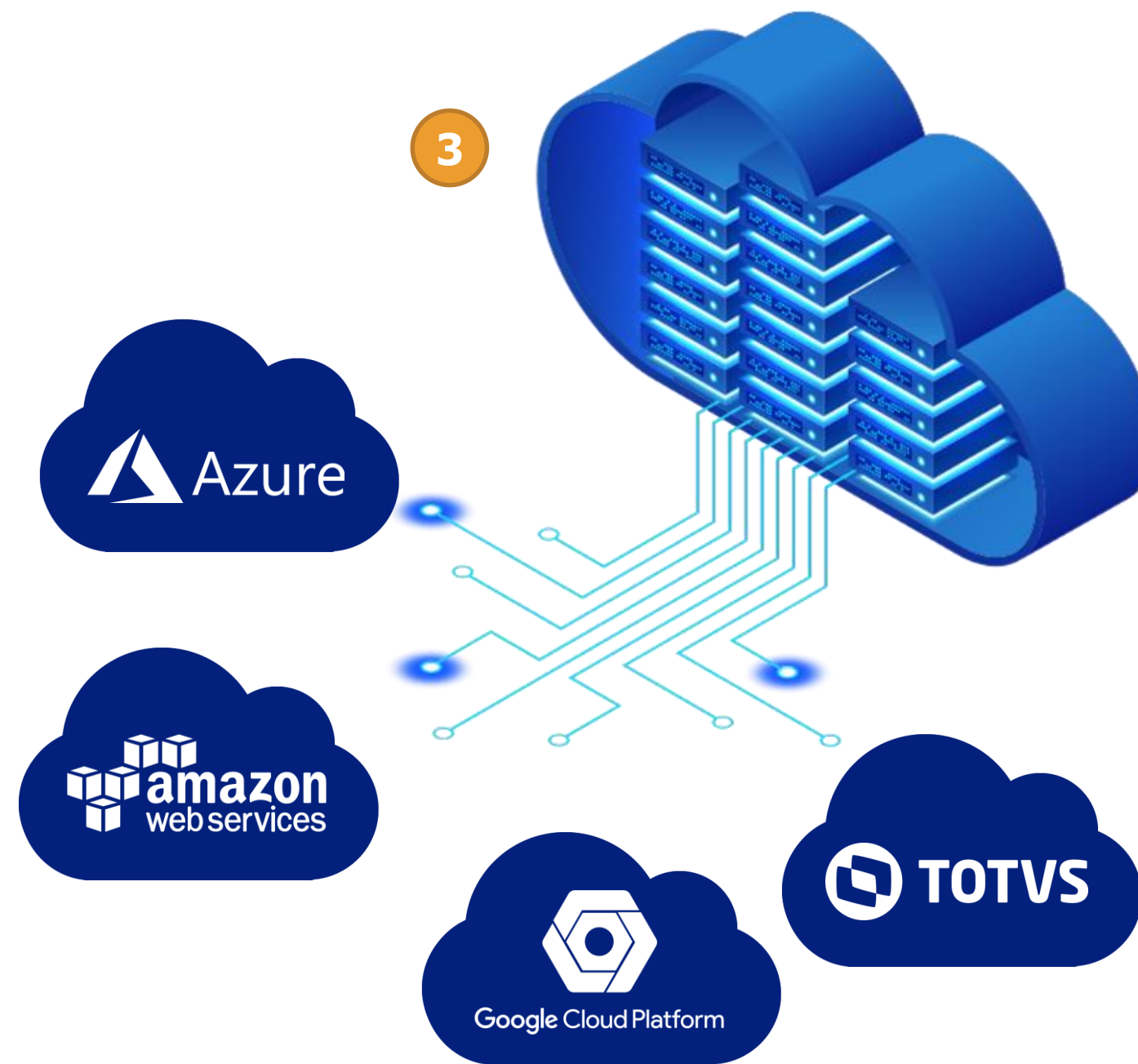
PaaS

T-Cloud

SaaS



3





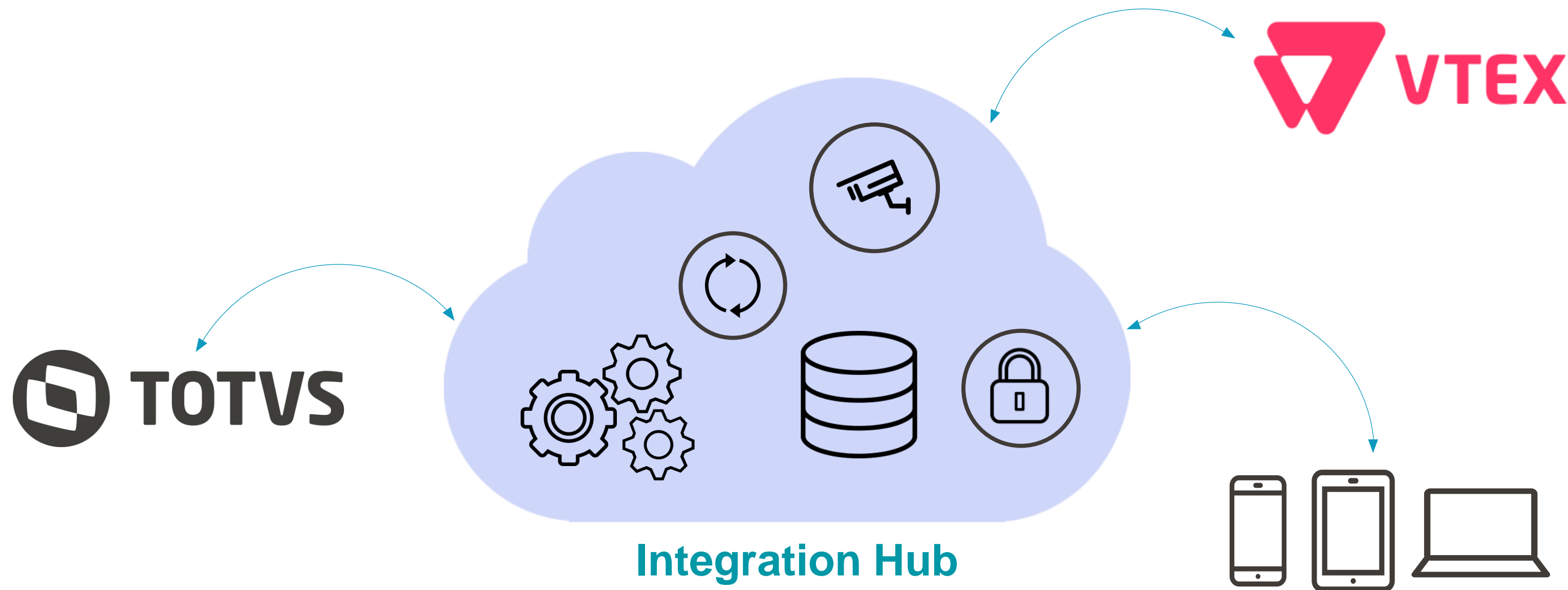


# INTEGRATION PLATFORM

56



Connects the TOTVS product lines to our software partners in a way that is fast, monitored and efficient.



# Connector







# TELEMETRY AND UTILIZATION BEHAVIOR

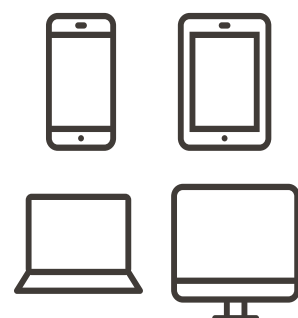
58



TOTVS



TOTVS



Concession of  
Licenses and IDs



Contracts Ticketing



Health Check of  
Applications



Functional Utilization  
Behavior



Data Capture for  
specific purposes /  
access to offers



27.074 selected out of 27.074 records | [Reset All](#)

## Region

search filter

South

Southeast

Northeast

Midwest

North

## Hospitals

search filter

Universidade Federal De Santa Maria

Ebserh Husm-ufsm

Complexo Hospitalar E De Saude Da Ufba

Hospital Naval Marcilio Dias

Empresa Brasileira De Serviços Hospitalares

Instituto Nacional De Cardiologia

Centro De Aquisições Específicas

Ebserh Hupi

Hospital De Clinicas Da Ufpr

Hospital Universitario Walter Cantidio

Hospital Universitario Antonio Pedro

Hospital Das Clinicas Da Ufgo

Others

## Products

search filter

Difratômetro Peça / Componente - Uso Labora

Marca-passo Cardíaco

Cateter P/ Intervenção

Prótese Cardíaca

Fio Guia\*

Enxerto Arterial

Eletrodo

Cabo-eletrodo

Bomba Centrífuga Sanguínea

Conjunto Eletrodo

## Market Share

search filter

St Jude Medical Brasil Ltda

Medtronic Comercial Ltda

Cirurgica Jaw Comercio De Material Medico Hc

Biotronik Comercial Medica Ltda.

Boston Scientific Do Brasil Ltda

Victoria Comercio De Produtos Hospitalares Lt

Biomedical Produtos Científicos Médicos E Ho

Distribuidora De Medicamentos Paulo Lima Ltd

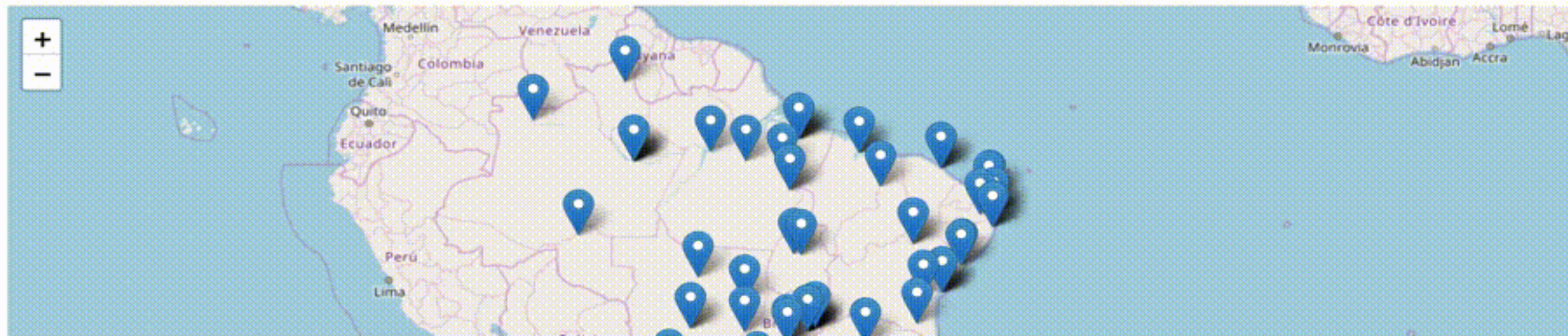
Vitoria Hospitalar Ltda

Braile Biomedica Industria Comercio E Represe

Zarek Distribuidora De Produtos Hospitalares E

Astrazeneca Do Brasil Ltda.

Others





Photo

Badge

Code



instruct the employee to  
turn head left and right



# Balanço patrimonial

## Filtros

Empresa

TOTVS S/A



Filial

São Paulo



Período

Anual



Referência

2019

[Favoritar filtro](#)[Mostrar mais](#)[Aplicar filtros](#)

Apresentando dados filtrados por:

TOTVS S/A

São Paulo

2019

## Histórico comparativo

Valor de ativo (R\$)

104.7 MI

2019

1,1% ↑

2018

Valor de passivo (R\$)

90.3 MI

2019

9,1% ↓

2018





# NO-CODE:



**Pages**



**Forms**



**Tasks**



**Flow**

# No-Code





# THANK YOU



**Gustavo Bastos**

Platforms and IT Vice President

- Technology + Knowledge are our DNA
- The success of our client is our success
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**#WEARETOTVERS**





# CORE BUSINESS SEGMENTS Investors Day

/ Marcelo Cosentino



February/2020





# Businesses for Segments



| Knowledge  | Proximity                          |
|--|------------------------------------|
| Focus on the customer                                | UX   UI of solutions               |
| Development of verticalized and specialist solutions | Collaborative Central of novelties |
| Go to market of solutions                            | Support to the sales machine       |

| TOTVS              |                        |
|--------------------|------------------------|
| AGRO               | JURÍDICO               |
| CONSTRUÇÃO         | LOGÍSTICA              |
| DISTRIBUIÇÃO       | MANUFATURA             |
| EDUCACIONAL        | PRESTADORES DE SERVIÇO |
| FINANCIAL SERVICES | SAÚDE                  |
| HOSPITALIDADE      | VAREJO                 |



# Effective R&D Allocation

- 1) **Market Size**
- 2) **Growth Velocity**
- 3) **Time to Market**
- 4) **Modernization | Platforms Consumption**
- 5) **Competitive Capability**





Visual Hotel FrontOffice v6.11.06.01- Telefonía há 30 minutos sem tarifar !!! - [Reservas - Disponibilidade de UHs]

Sistema

Editar

Reserva

Recepção

Caixa

Governança

Vendas

Cadastros

Consultas

CMNet

Janela

Ajuda

Plugin

Operações Resort

<

Hotéis

|                  | 12<br>FEV (Qua) | 13<br>FEV (Qui) | 14<br>FEV (Sex) | 15<br>FEV (Sáb) | 16<br>FEV (Dom) | 17<br>FEV (Seg) | 18<br>FEV (Ter) |
|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| > Standard 10    | 10              | 10              | 10              | 10              | 10              | 10              | 10              |
| > Luxo 4         | 3               | 3               | 3               | 3               | 3               | 3               | 3               |
| > Presidencial 2 | 2               | 2               | 2               | 2               | 2               | 2               | 2               |
| > CLAC 1         | 1               | 1               | 1               | 1               | 1               | 1               | 1               |
| > ECOT 1         | 1               | 1               | 1               | 1               | 1               | 1               | 1               |
| > Nova 5         | 5               | 5               | 5               | 5               | 5               | 5               | 5               |
| Bloqueadas 0     | 0               | 0               | 0               | 0               | 0               | 0               | 0               |
| % Ocup. 23       | 4.35            | 4.35            | 4.35            | 4.35            | 4.35            | 4.35            | 4.35            |
| Total 23         | 22              | 22              | 22              | 22              | 22              | 22              | 22              |

Legenda

Check-in Check-out A confirmar Confirmada

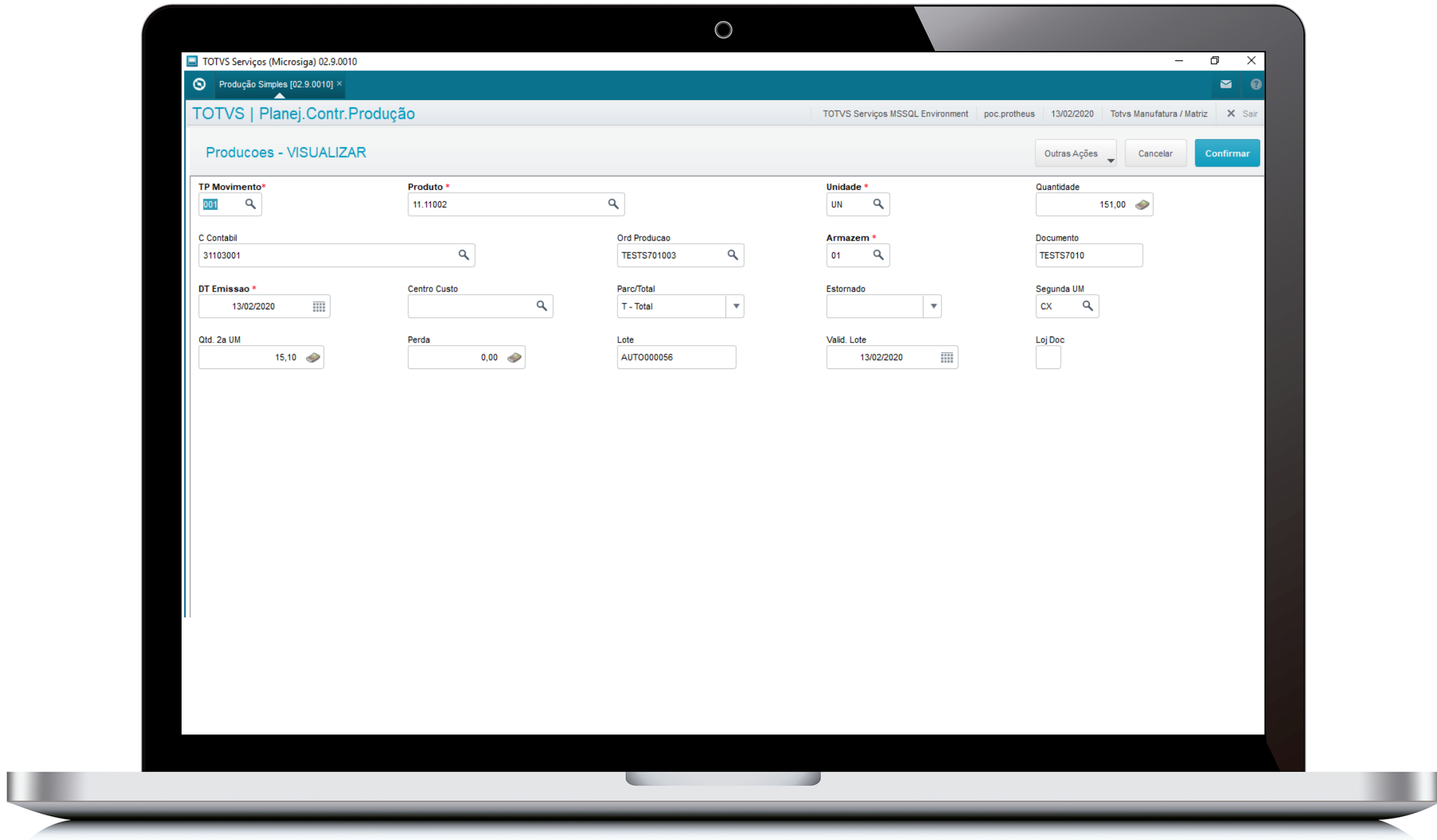
Exibir hoje

Total de UHs

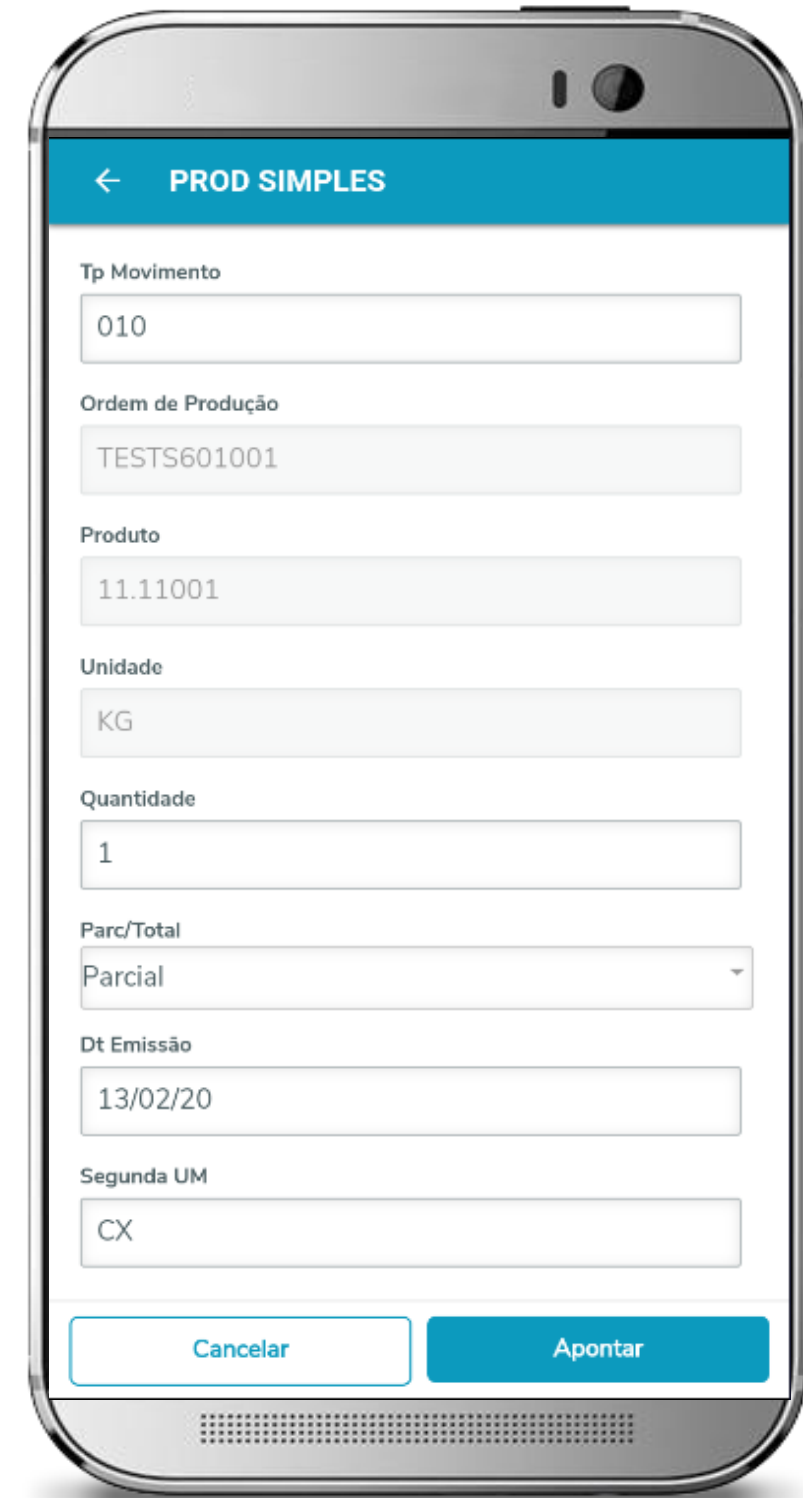
Status Governança

Recepção

Status das reservas



Desktop



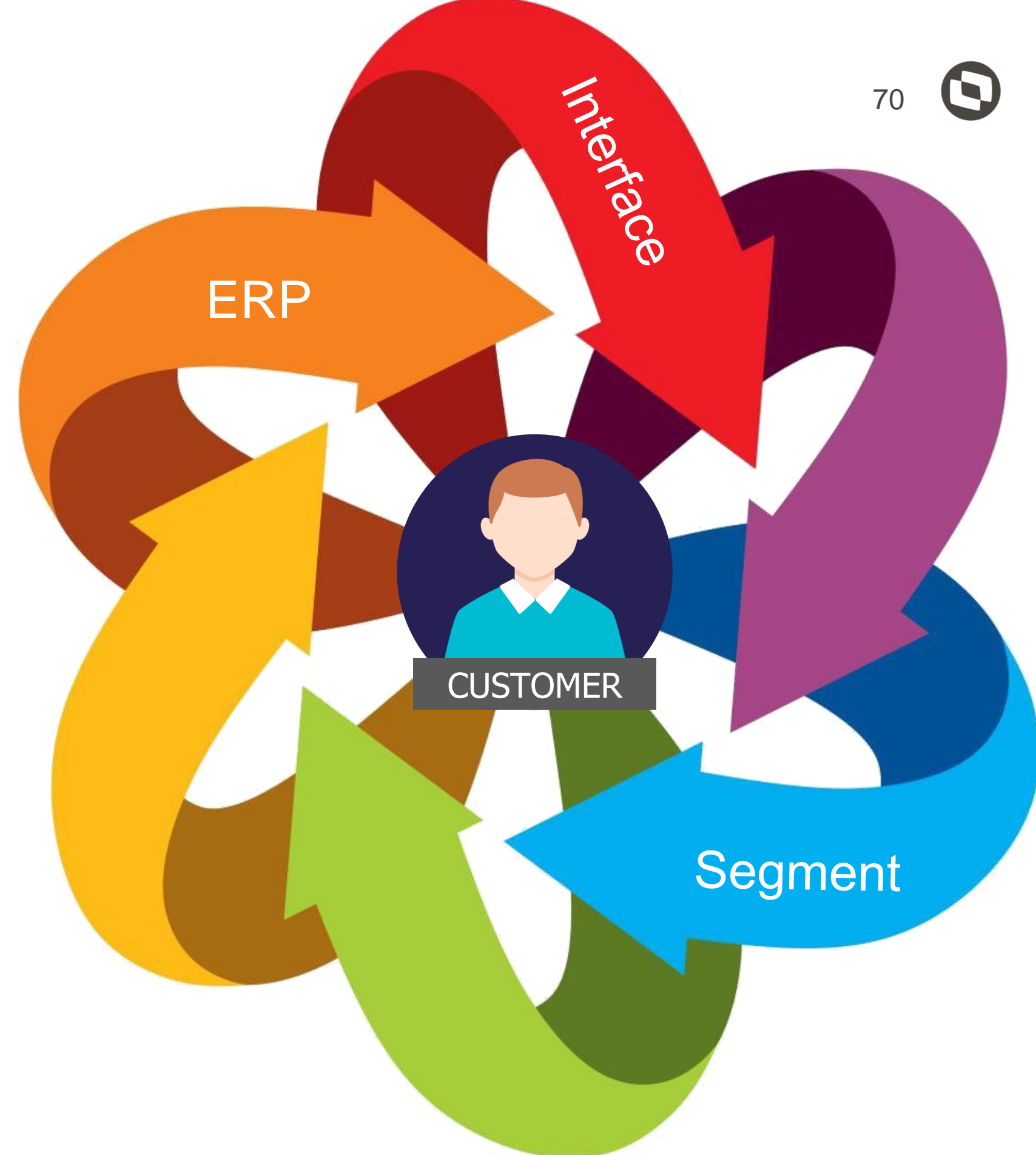
APP





# Products Specialization

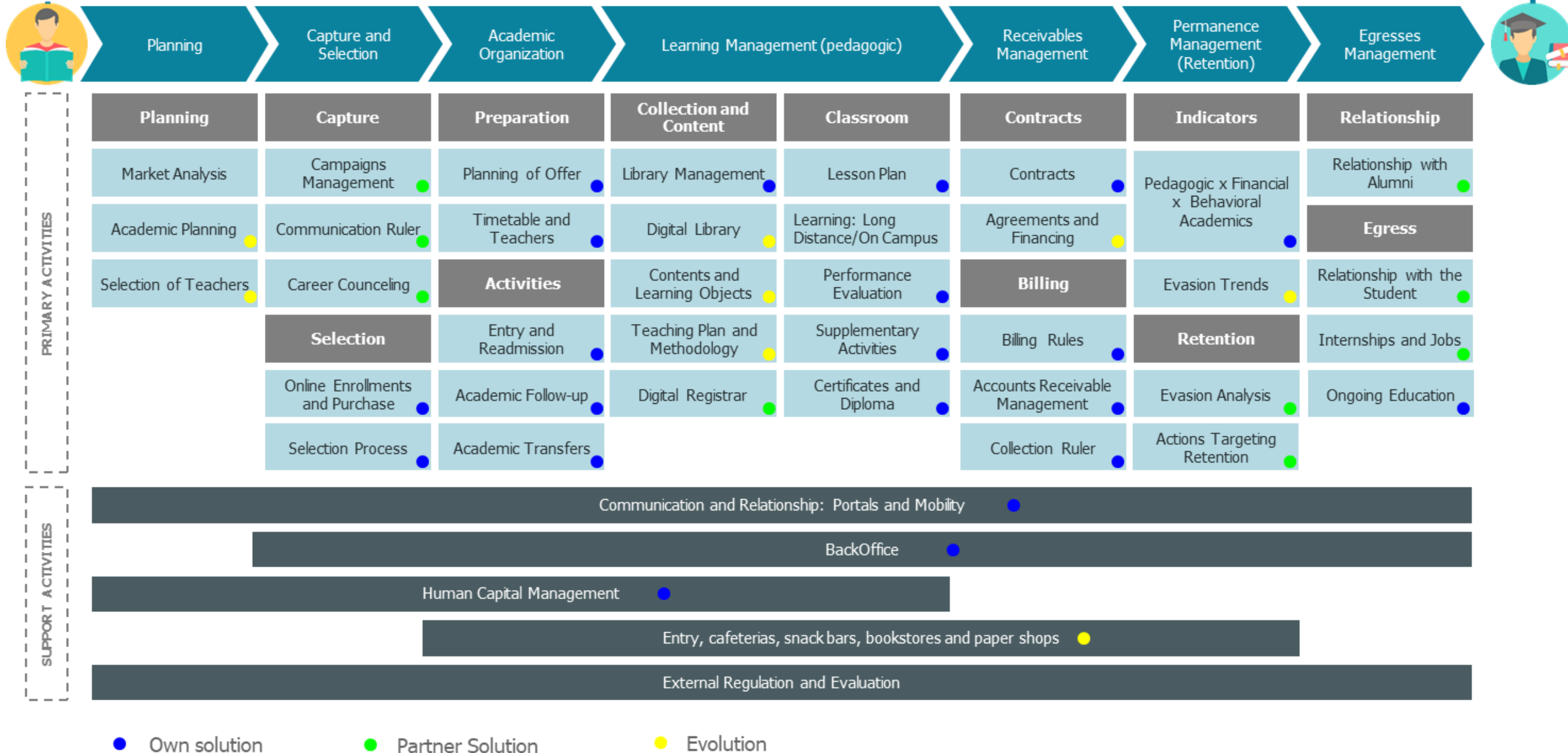
- **Value Chain**
- **Competitive Differentials**
- **Depth of Features**
- **Functional Utilization Behavior**
- **TCO**





# VALUE CHAIN – Educational

71

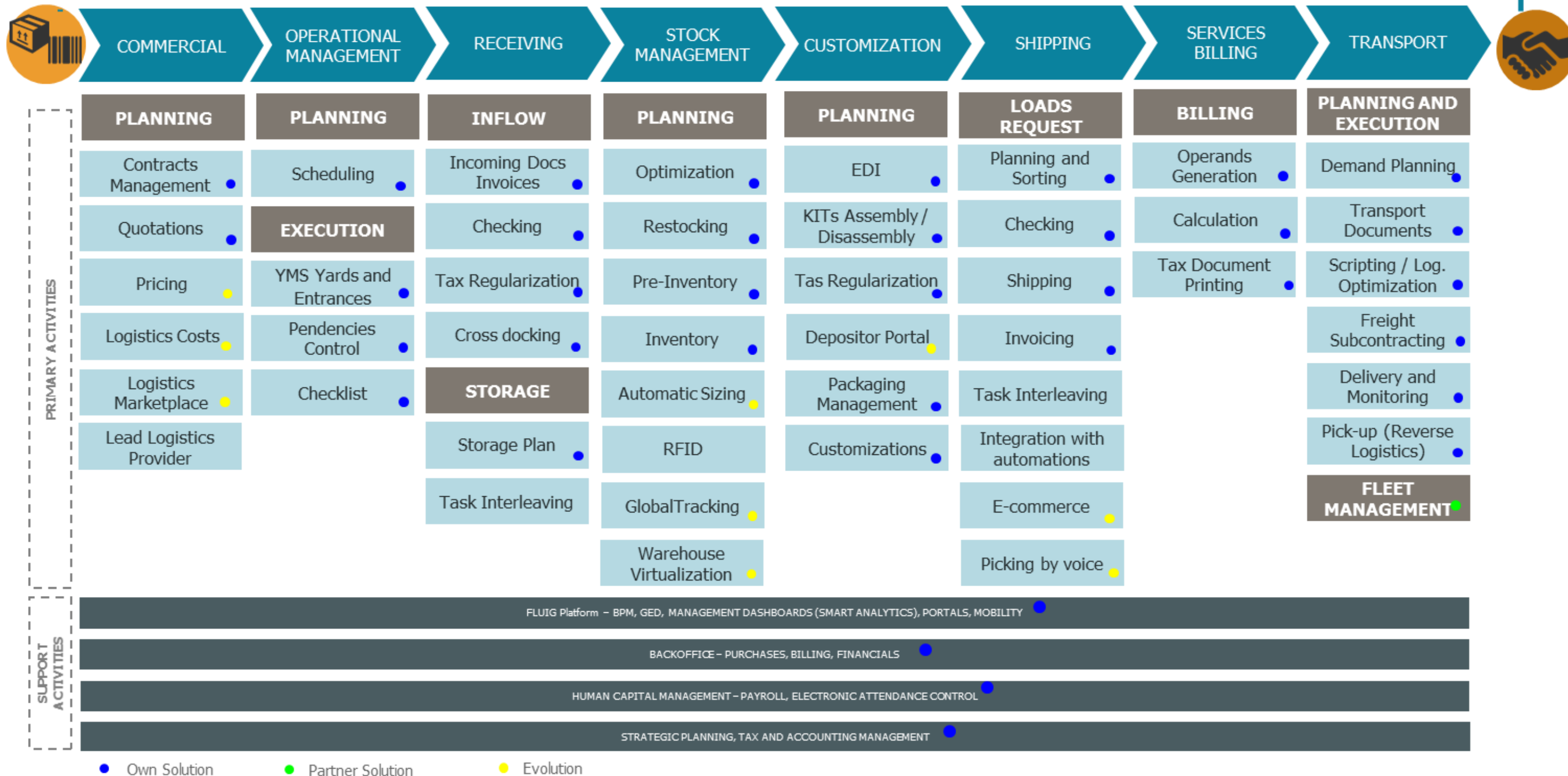






# VALUE CHAIN – Logistics Operator

72







# THANK YOU



**Marcelo Cosentino**

Business Segments Vice President

- Technology + Knowledge are our DNA
- The success of our client is our success
- We value competent people who are nice people



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**#WEARETOTVERS**







# TOTVS TECHFIN

## Investors Day

/Juliano Tubino



February/2020





# TOTVS TECHFIN

**Services that simplify the companies' financial cycle.**

We make it easier to access financial services through competitive and customized **CREDIT** and **PAYMENT** solutions.

**In a single ecosystem we make it possible:**

## TO SIMPLIFY

Through the possibility of contracting more than one financial service at the same time, in an accelerated, integrated and cheap way.

## TO EXPAND

The capacity to grow the business through access to more financial products, integrated to the operation and management of the companies

## TO CHEAPEN

The actual improvement of financial products by using information and technology already found in our customers and their management systems





**CREDIT**

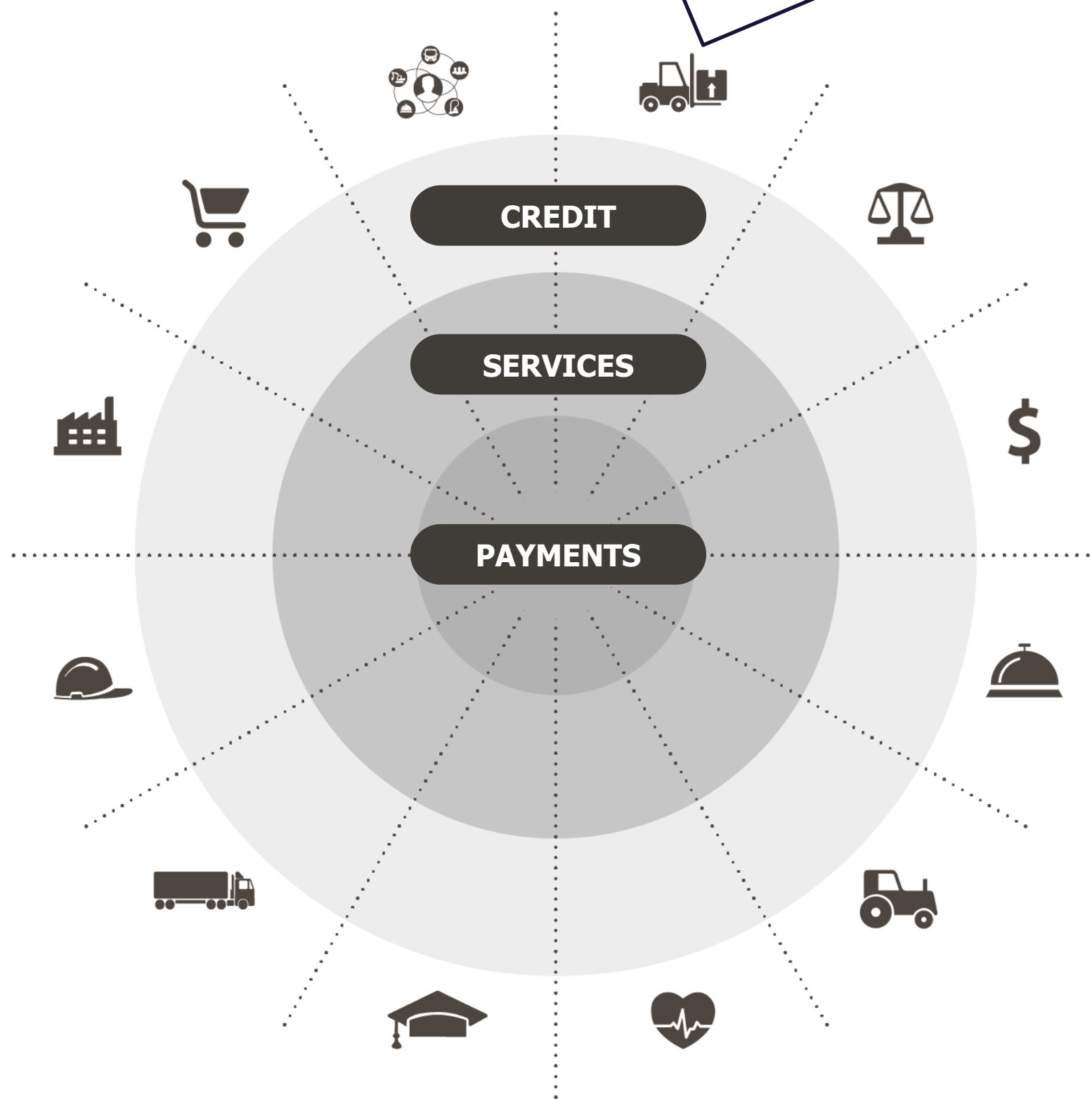
**PAYMENTS**

**SERVICES**



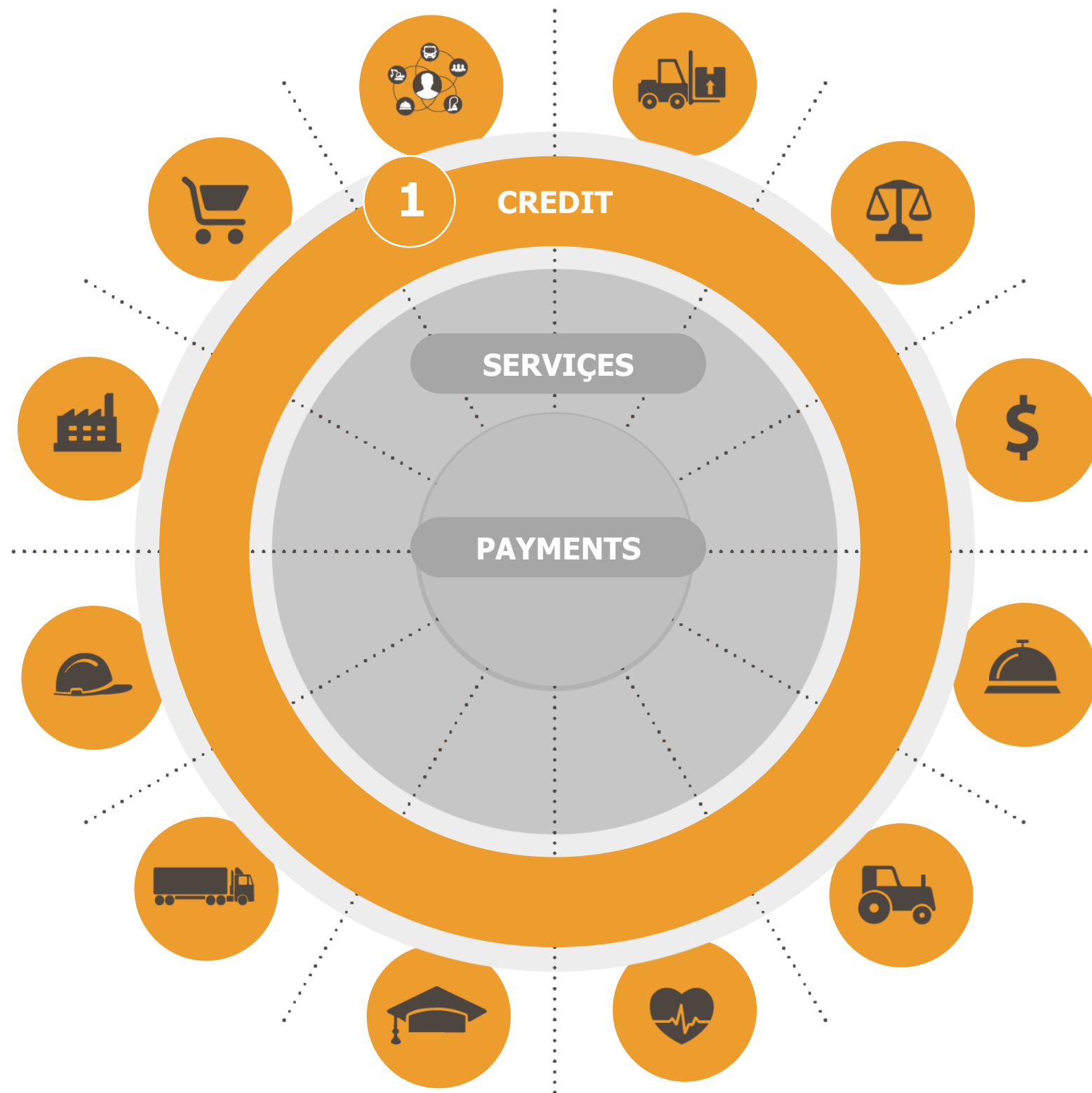
# TOTVS FINTECH – Guiding Principles

MAY/2019



- I. TO SCALE the growth of TOTVS through a new value chain leveraging base/channels/tech via x-sell of own solutions (organic/M&A) and partners (banks and startups)
- II. To create “2 sided market” packaging tech+fin value offer, increasing commercial leverage and stickiness with the customers
- III. Macro-scenarios integrated to the 12 segments of TOTVS - Payments, Credit and Services
- IV. Entry reasoning that prioritizes smaller complexity and better time-to-revenue (partner>buy>build)
- V. Flexible, light and agile action model: to be a key link in the hallways of financial services in selected business verticals – **Organic, M&A (Acceleration) or Hybrid**
- VI. Positioning: **TECHFIN** (without conflict with Banks; without regulatory risk; more scale than startups)





## 1 CREDIT (B2B)

### □ Scope:

- TOTVS simplifying credit access between value chain participants (Hub-Spoke) Retail Industry, Distribution Industry, Retail Distribution.

### □ Status:

OCTOBER ACQUISITION (SIGNING) OF SUPPLIER

- 95 AFFILIATES | +100.000 clients | 1.2Bi credit portfolio- (2019)
- \$220Mi REVENUES (2019)

### ★ Launch:

- 1st product: **TOTVS ANTECIPA**  
February/2020 (Initial Target - Protheus)

# TOTVS Antecipa

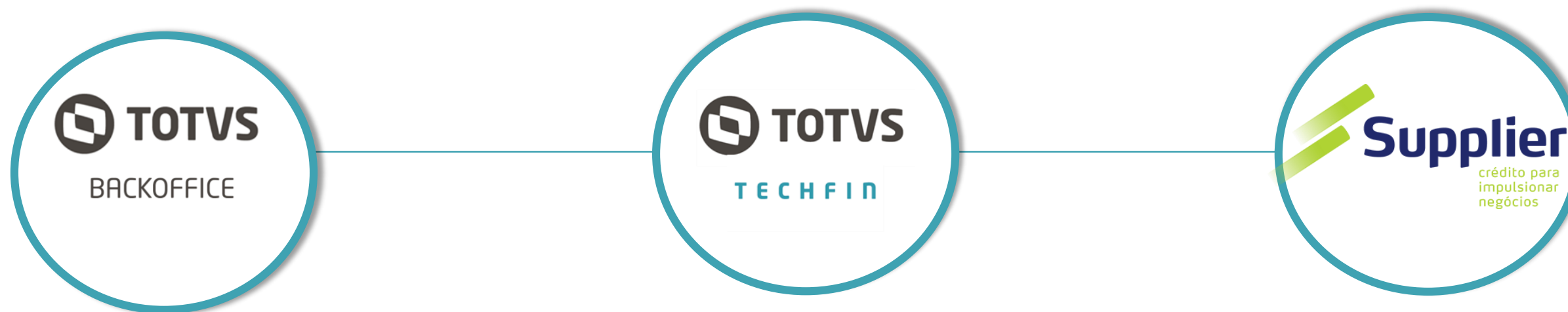






# OPENING THE HOOD

How the integrated, frictionless and fluid experience happens



## BACKOFFICE | ERPS

Invoices/Receivables registration

Receivables selection for prepayment

Bordereau issuing and distribution

Return file upload on ERP

Prepayments and fees accounting

Prepaid receivables management

## ENABLER

Frictionless and fully integrated experience

Quick receivables selection for prepayment

Realtime connection with the credit provider

Automatic accounting on ERP

Automatic prepaid receivables management

Simple and friendly interface

## CREDIT PROVIDER

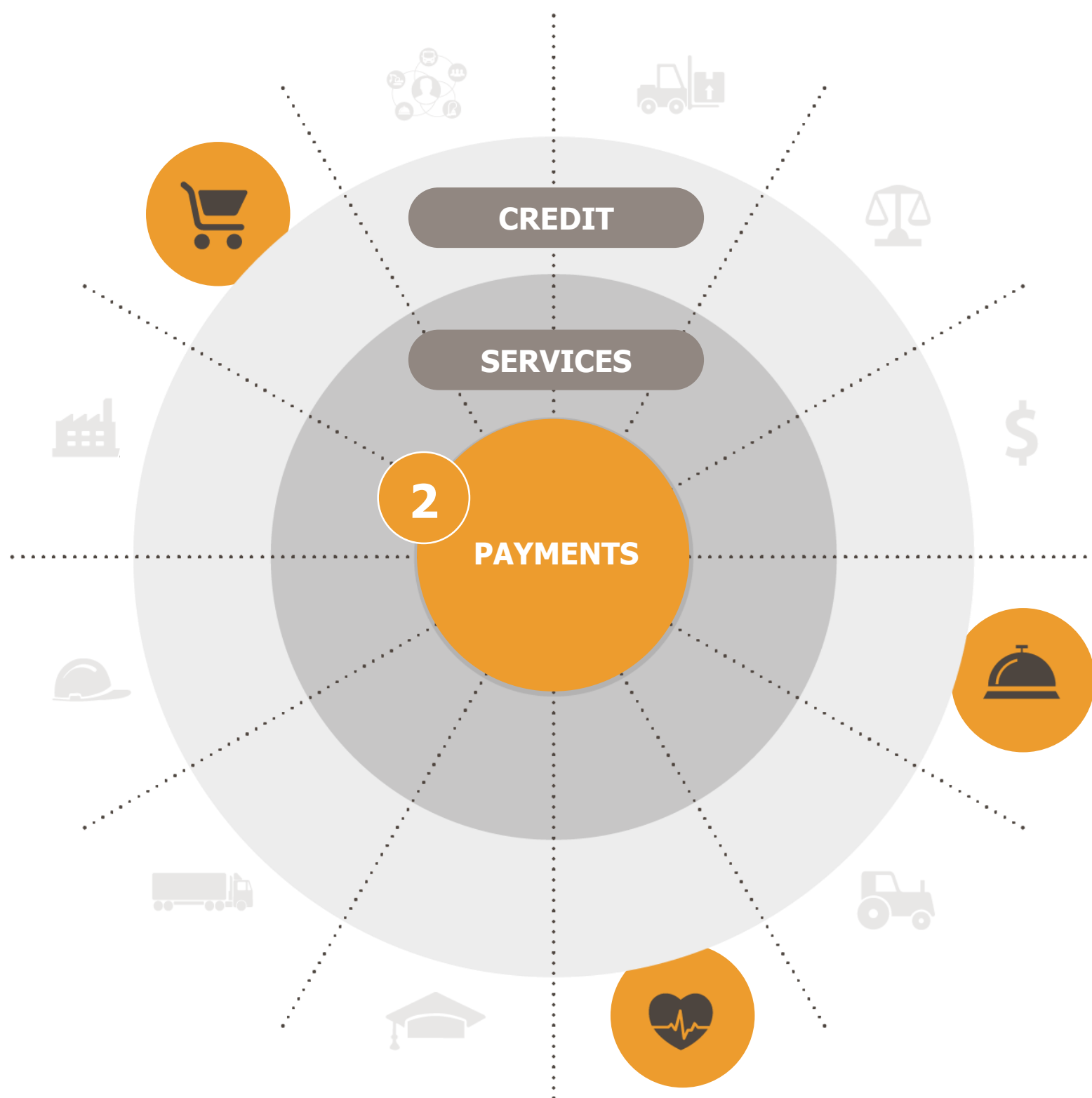
Bordereau receiving

Receivables risk analysis

Invoices validation - SEFAZ

Return file issuing

Receivables prepayment



## 2

## PAYMENTS (VAREJO)



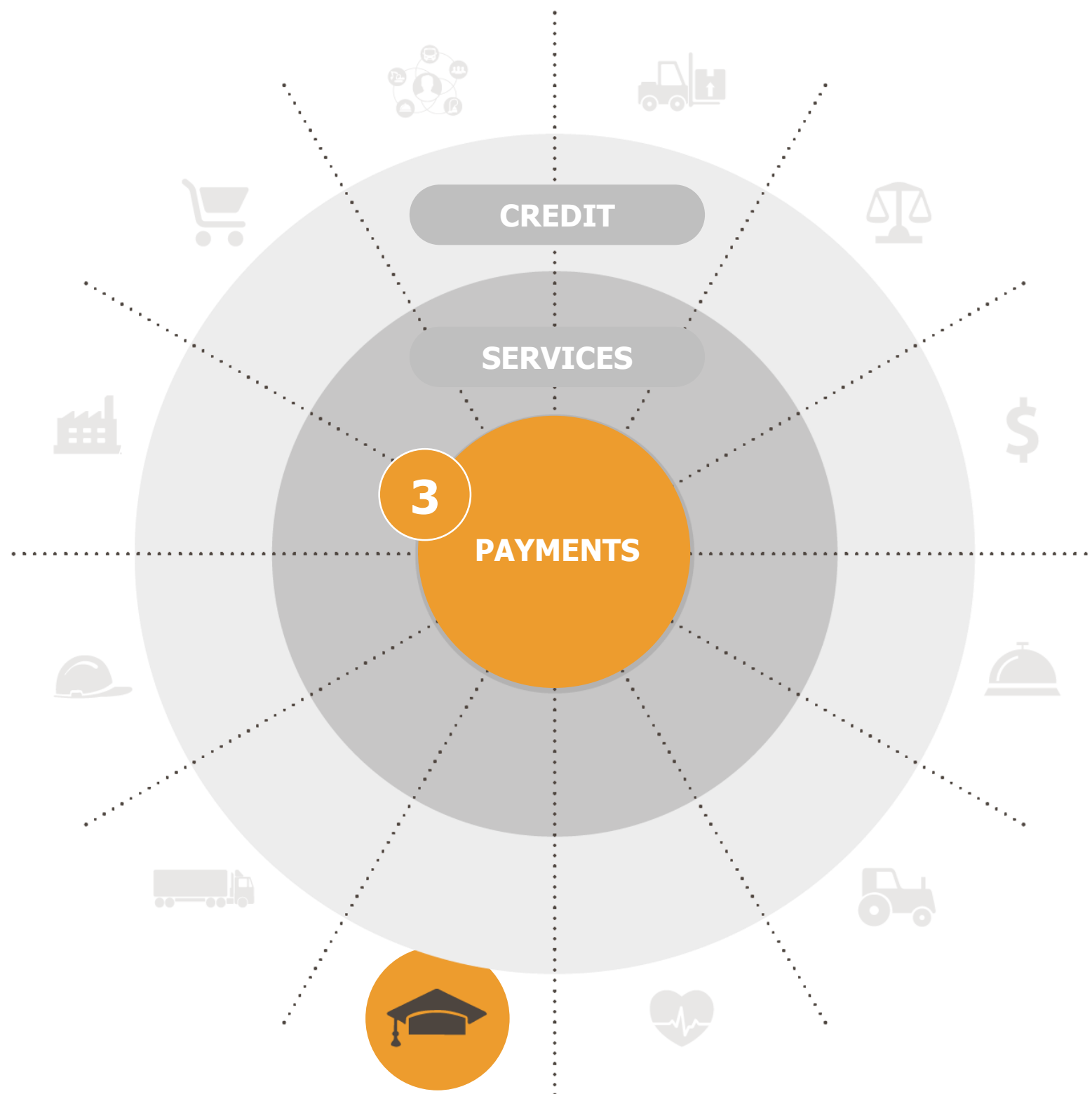
### □ Scope:

- TOTVS selling acquiring relationships Network in SMB base. Economics: profit share
- Initial Offers All segments (emphasis on POS and Frontdesk systems)

### □ Status:

- Adherence offer of EFT in customer Base – with growth YOY 4X
- Combo offers with POS and activation in new Acquiring relationships base
- Highly competitive market with decreasing Take rates





### 3

## PAYMENTS (EDUCATIONAL)



#### □ Scope:

- Creation of card payment experience linked to EDUCONNECT – Integration Portal between Educational ERP and parents, students, teachers and institution
- Economics: profit share

#### □ Status:

- ERP INTEGRATED OFFER – REGISTRAR – PAYMENTS – PORTAL
- BETTER NEGOTIATIONS WITH ECOSYSTEM
- NEW VOLUME WITH HIGHER TAKE RATES

#### ★ Lançamento:

- Produto **eduCONNECT Pay**
- February/2020
- CONTRACTS ALREADY SIGNED (Pre-launch)

# EDUCONNECT PAY

Create Watch Log in Join

83

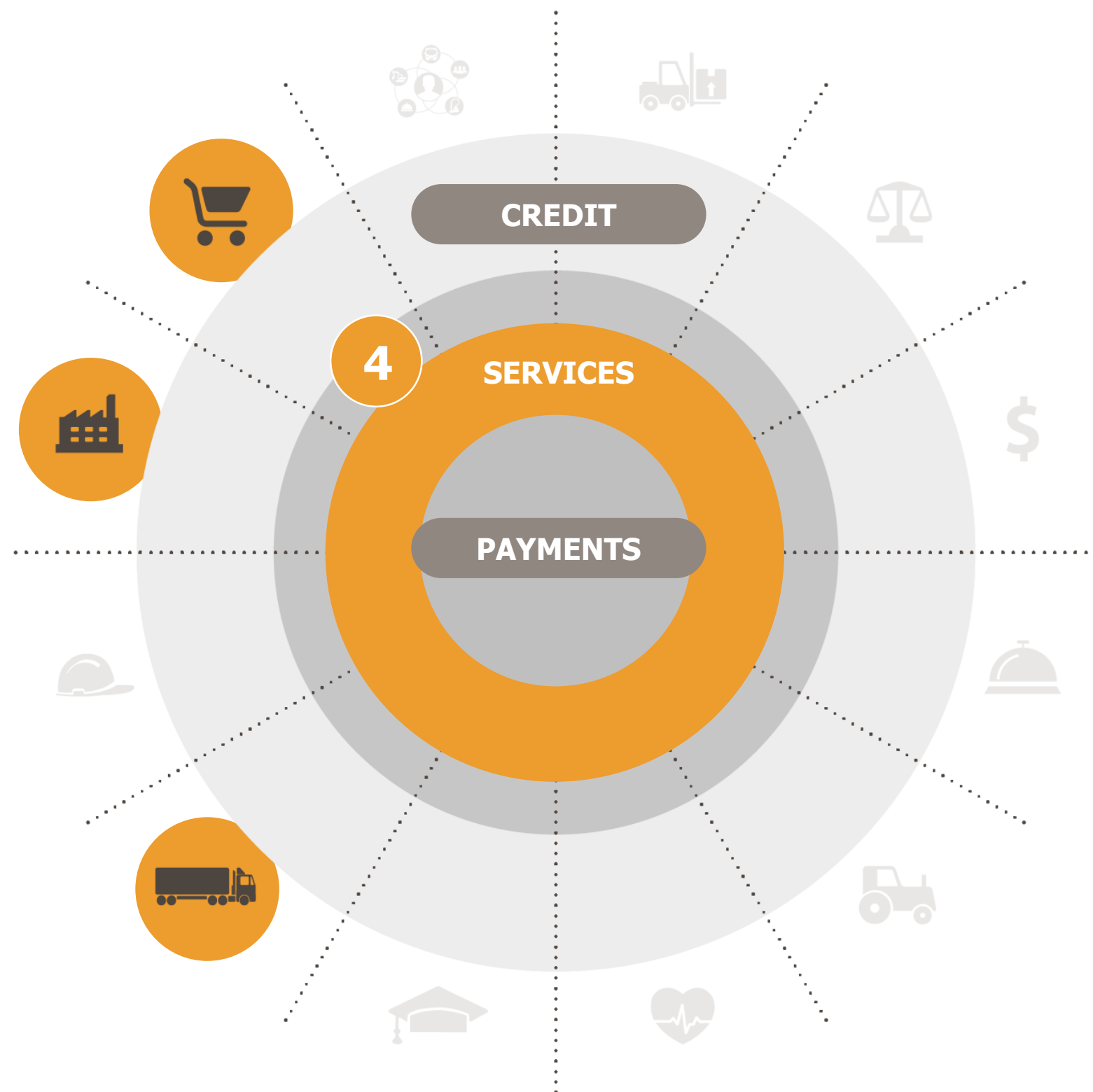


Follow

Comments ▾

Party Summer Vacation





## 4

## SERVICES (CONSIGNED CREDIT)



### □ Scope:

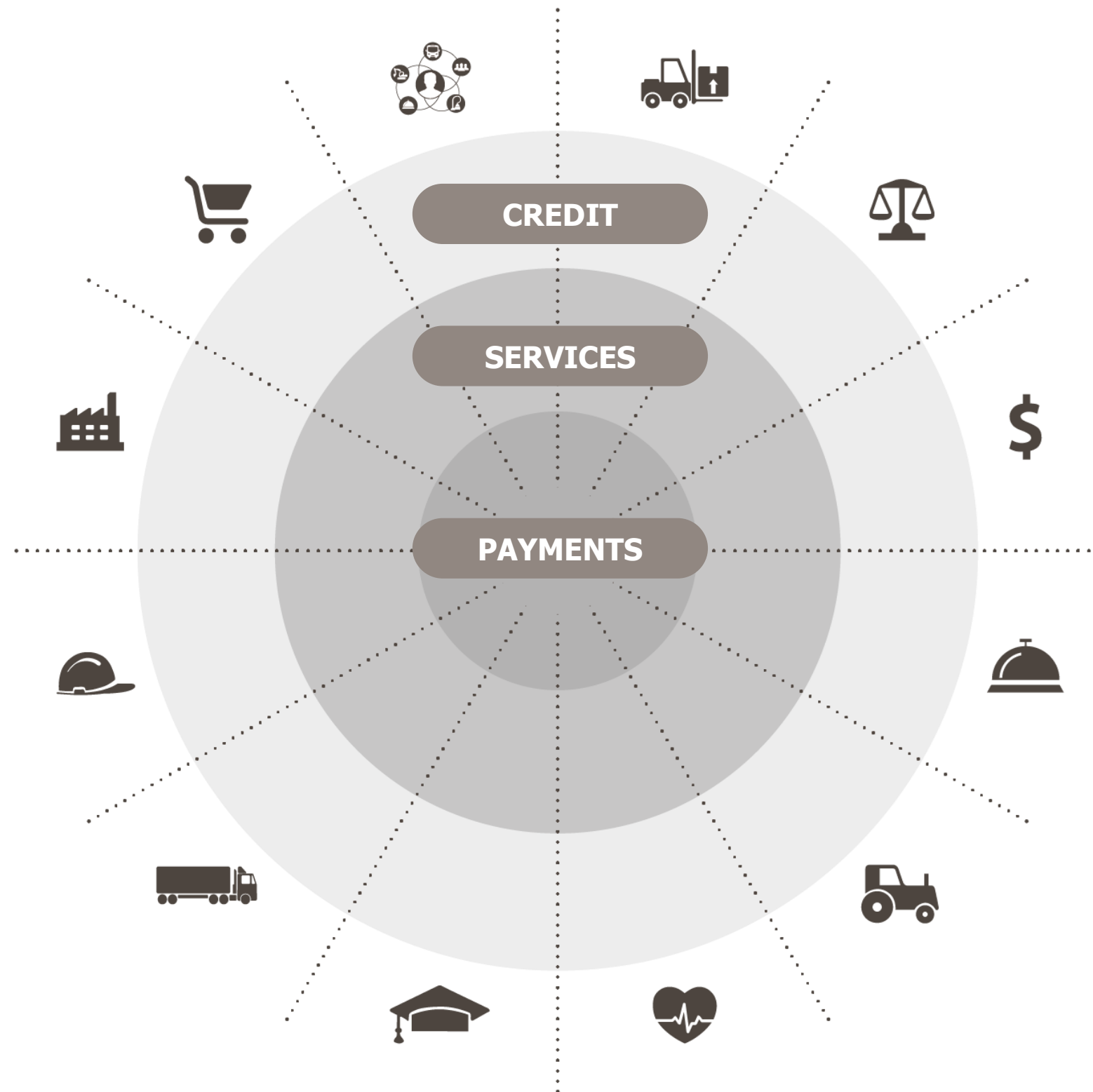
TOTVS offering multiple experiences to employees, leveraging its connection with payroll of 10 million lives.

### □ Initial Offers:

- Payroll Credit
- *Capability* through partnerships

### ★ Lançamento:

- 2 partnerships signed: *revenue share*
- Collaboration for sales force and generation of joint leads
- First Agreement already signed



## 1 CREDIT (B2B - SUPPLIER)



## 2 PAYMENTS (RETAIL)



## 3 PAYMENTS (EDUCATIONAL)



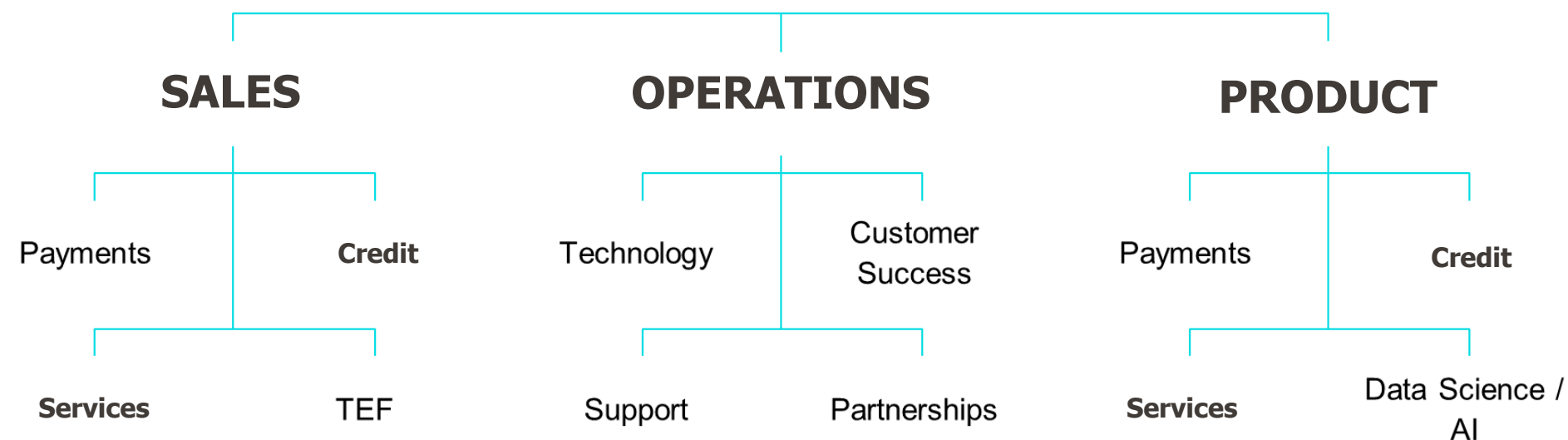
## 4 SERVICES (PAYROLL CREDIT)







## 1 ORGANIZATION



## 2 PARTNERSHIPS AND M&A



## 3 PRODUCTS

TOTVS ANTECIPA

TOTVS EDUCONNECT

TOTVS TEF CLOUD

CREDIT

PAYMENTS

SERVICES





# THANK YOU



**Juliano Tubino**

New Business and Strategy Vice President

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# BUSINESS PERFORMANCE

## Investors Day

/Juliano Tubino

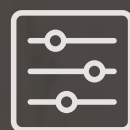


February/2020





# OUR ECOSYSTEM GOES WAY BEYOND THE ERP...



## MANAGEMENT

ERP

HR

Vertical Solutions

## TECHFIN

Credit

Services

Payments

## BUSINESS PERFORMANCE

Marketing

Sales

Customers



# BUSINESS PERFORMANCE



**SUPPORT MULTIPLE BUSINESS AREAS  
TO LEVERAGE RESULTS AND PERFORMANCE.**



**Sales**



**Marketing**



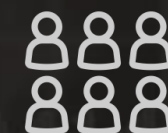
**CLIENT**

## **BEYOND IT**

**SALES, MARKETING, SUPPORT, OPERATIONS, CUSTOMER EXPERIENCE, CHANNEL, LOYALTY, EVENTS, etc.**



**Going beyond the ERP with “out the door” solutions**



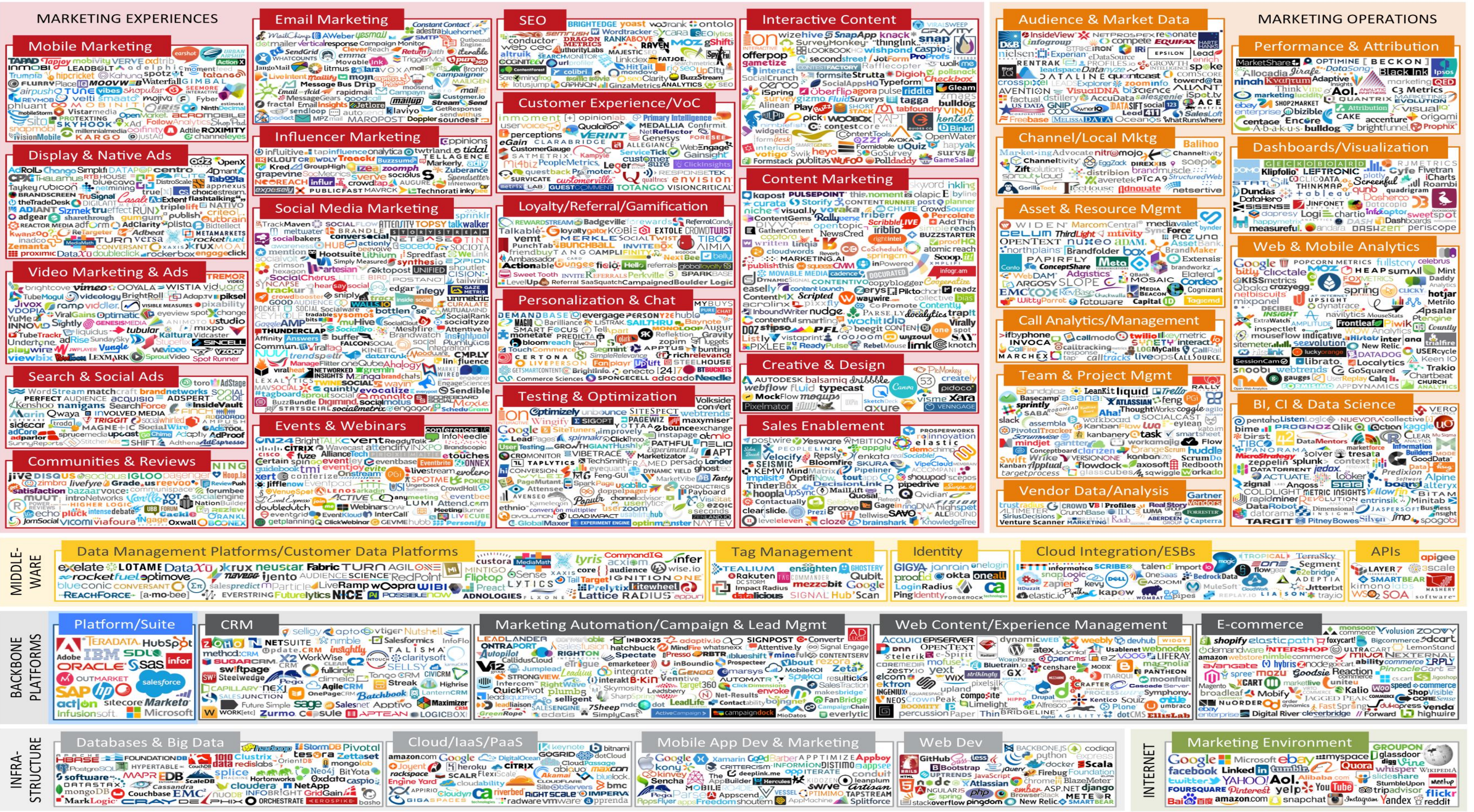
**New interlocutors and expansion of the TOTVS ecosystem**



**Market can be approached in accelerated growth and opportunity for consolidation**









# BUSINESS PERFORMANCE

92



**SUPPORT MULTIPLE BUSINESS AREAS  
TO LEVERAGE RESULTS AND PERFORMANCE.**



**Sales**



**Marketing**



**CLIENT**

## **E-commerce**

Through a joint venture with VTEX, the country's top e-commerce company, we offer our customers the market's best unified commerce platform.

## **CRM**

Solutions that go from pipeline management to full commercial intelligence to optimize company sales operations, increasing revenues and margin

## **OMS – Omnichannel**

Through a partnership with Spanish company MODDO, we now offer an Order Management System (OMS) to support our retail customers in their digital transformation journeys.

**ARTIFICIAL INTELLIGENCE | ANALYTICS | COLLABORATION**

## **BEYOND IT**

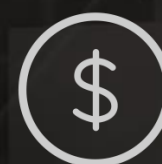
**SALES, MARKETING, SUPPORT, OPERATIONS, CUSTOMER EXPERIENCE, CHANNEL, LOYALTY, EVENTS, etc.**



**Going beyond the ERP with “out the door” solutions**



**New interlocutors and expansion of the TOTVS ecosystem**



**Market can be approached in accelerated growth and opportunity for consolidation**



**Greater profitability for customers and relevance for TOTVS**



**Continuity in Execution of growth plan.**



# BUSINESS PERFORMANCE

93



How we will increase our participation in this Market

## PARTNERSHIPS

Experience with startups (over 50 in IDEXO) and Team of Partnerships and Complementary Offers (over 70)

**Fast Onboarding, Integration to Portfolio and Distribution**



## ORGANIC AND INNOVATIONS

TOTVS' unquestionable capacity to generate innovations and solutions, fostering growth in its customers' results

---

**Over 4000 TECH employees**

## M&A

We are actively aligning our M&A execution by seeking the best players to compose our strategy.

---

**Strategic Pillar – New Markets**



# THANK YOU



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New Business and Strategy Vice President

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