



A publicly held corporation
Corporate Taxpayer's Id. (CNPJ/MF) No.
53.113.791/0001-22
Company Registry (NIRE) 35.300.153.171

MATERIAL FACT

CLOSING OF THE OPERATION: TECHFIN JOINT VENTURE BETWEEN TOTVS AND ITAÚ

TOTVS S.A. (B3: TOTS3) ("**TOTVS**" or "**Company**") following the Material Fact dated April 12th, 2022 and the Notices to the Market dated October 17th, 2022, November 3rd, 2022 and June 22th, 2023, regarding the creation of a Techfin Joint Venture with Itaú Unibanco S.A. ("**Itaú**" and "**Transaction**"), hereby announces that, on this date, having complied with all the applicable precedent conditions, the closing of the Transaction occurred.

As a result of the closing of the Transaction, Itaú now holds 50% of the capital stock of ("**TOTVS Techfin**" or "**JV**"), through: (a) a primary contribution of R\$200 million to the JV's capital stock and (b) payment to TOTVS of R\$410 million in cash and up to R\$450 million to be paid after 5 years as an earn-out price, upon the achievement of goals in line with the JV's growth and performance objectives.

The closing of the Transaction marks the beginning of a unique and autonomous operation, focused on the development and distribution of financial services, with a light and intelligent business model, which combines data science, integration with ERPs and wide distribution, in addition to access to efficient funding to support the expansion of the operation. With transformational potential, this business model will enable TOTVS Techfin to expand, simplify and democratize access to a wide range of financial products in the B2B market, benefiting small and medium-sized companies and the entire production chain in the country.

São Paulo, July 31st, 2023

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About TOTVS: the absolute leader in the Brazilian SMB market, TOTVS create innovative solutions to transform the daily lives of companies and help them overcome their business challenges. TOTVS is the largest management software developer in Brazil, with over 70,000 clients/customers in 12 sectors of the economy. As an original Brazilian company, TOTVS believe in a "Brazil that gets things done" and supports the growth and sustainability of thousands of businesses and entrepreneurs, across the entire country, through technology

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