



TOTVS S.A.

Publicly-Held Company

Corporate Taxpayer ID (CNPJ/ME): 53.113.791/0001-22

Company Registry (NIRE): 35.300.153.171

MATERIAL FACT

Second issue of simple and non-convertible debentures

TOTVS S.A. (B3: TOTS3) ("TOTVS" or "Company"), in compliance with the Brazilian Law No. 6,404/76 of December 15, 1976 ("Corporations Law"), and pursuant to the terms of Instructions No. 476/2009 ("CVM Instruction 476") and No. 358/2002 ("CVM Instruction 358"), both issued by the Brazilian Securities and Exchange Commission ("CVM"), hereby informs that the Board of Directors Meeting held today, approved the second (2nd) issuance of simple, non-convertible, unsecured debentures, in a single series ("Issue" and "Debentures", respectively), for public distribution with restricted placement efforts, intended exclusively to professional investors, in accordance with CVM Instruction 476, with firm underwriting commitment for the entire Issue.

The total amount of such Issue will be R\$200.0 million and the Debentures will have a unit face value of R\$1,000.00 ("Unit Face Value") on the issue date. The Unit Face Value will bear interest corresponding to 100.0% of the accumulated variation of the average daily rates of the DI (Interbank Deposits), based on 252 business days, plus a spread equivalent to 2.65% per year. The Debentures will mature on April 22, 2021 and may be redeemed in advance from July 22, 2020, at the Company's sole discretion, upon payment of a premium corresponding to 0.10% on the Unit Face Value plus interests calculated *pro rata temporis* until the redemption date.

The Issue is performed considering the scheduled settlement of R\$200.0 million corresponding to the Company's first (1st) issue of debentures, which will mature on September 15, 2020, and in preparation for the payment of R\$455.2 million for the acquisition of shares corresponding to 88.8% of the capital stock of the corporation SUPPLIER PARTICIPAÇÕES S.A., as disclosed by the Company in a material fact on October 28, 2019.

Even with a cash position at the end of March 2020 of approximately R\$1.4 billion, the Company intends to maintain its position of solidity and liquidity, in order to assess the magnitude of the potential impacts arising from the evolution of COVID 19 pandemic in its business and ecosystem, while still having the flexibility to settle this Issue in advance from the 91st day at its sole discretion. Maintaining this solidity will allow the Company to continue seeking to balance the health of its short-term performance and the preservation of its ability to execute its medium and long-term strategies, which remain fundamentally valid.

The general terms and conditions of the Issue and of the Debentures are available in the minutes of the Board of Directors Meeting held today, which is filed with the Company's headquarters, as well as on the websites of the CVM (<http://www.cvm.gov.br>) and the Company (<http://ir.totvs.com>). This material fact has informational purposes only, pursuant to the laws in force, and must not be construed as advertising material of the Issue or for sale of Debentures.

São Paulo, April 22nd, 2020.

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