



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

## MATERIAL FACT PARTNERSHIP BETWEEN TOTVS AND B3

TOTVS S.A. (B3: TOTS3; "TOTVS"; or "Company") informs that, as approved today by its Board of Directors, the Company entered into an agreement for the subscription, by B3 S.A. - Brasil, Bolsa, Balcão, of a minority stake representing, post-money, 37.5% of the total shares of TFS Soluções em Software S.A. ("TFS"), for the amount of R\$600 million, subject to adjustments, and with the new company's post-money equity valued at R\$1.6 billion.

TFS is a subsidiary of TOTVS, which resulted from the carve-out of the Management Solutions operations focused on the Financial Services segment, in which it has a prominent position, with a team of 400 people and net revenues of approximately R\$140 million in 2020. TFS' broad portfolio includes: a prominent platform in the Investment Funds market, with solutions for processing and controlling the Middle and Back Office; a platform of Core Banking solutions focused on small and medium-sized banks; as well as a processing and management platform for Private Label card operations.

With renewed Management, total autonomy, and focus on the effervescent segment of B2B technologies for the financial market and fintechs, TFS begins a new stage, counting on two of the main players in the segment - TOTVS and B3 - to expand investments in innovation and increase the portfolio of solutions and clients, through organic developments, partnerships, and acquisitions, **aiming to be the main option in B2B technology for the financial sector.**

TOTVS has used its credibility and prominent position to build new growth avenues. This first carve-out of operations with high growth potential and the need for focus and autonomy, which will be addressed with the arrival of a major partner, is an example of how we have sought creative ways to generate even more value to our stakeholders, through the creation of joint ventures and partnerships with leading companies, in addition to acquisitions of different sizes and segments and continued investment in organic innovation.

The closing of this transaction depends on regulatory approvals and the verification of other conditions usual for this type of business. The Company will keep the market informed of any relevant developments.

São Paulo, July 12, 2021

**Gilsomar Maia Sebastião**  
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*About TOTVS: the absolute leader in the Brazilian SMB market, TOTVS creates 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 40,000 clients/customers in 12 sectors of the economy. As an original Brazilian company, TOTVS believes 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.*

**IBOVESPA B3**

**IBRX50 B3**

**MLCX B3**

**IGC-NMB3**

**ITAG B3**