

**TOTVS S.A.**

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

Company Registry (NIRE): 35.300.153.171

Publicly Held Company

**MINUTES OF THE EXTRAORDINARY SHAREHOLDERS MEETING**

**HELD ON DECEMBER 20, 2017**

- 1. DATE, TIME AND VENUE:** On December 20, 2017, at 10:00 a.m., at the registered office of TOTVS S.A. ("Company"), located at Av. Braz Leme, 1000, CEP 02511-000, in the city and state of São Paulo.
- 2. CALL NOTICE:** Call notice was published in the São Paulo state register (*Diário Oficial do Estado de São Paulo*) on November 18, 22 and 23, 2017, on pages 8, 14 and 34, respectively, and in the newspaper Valor Econômico on November 18, 22 and 23, 2017, on pages E4, E3 and E4, respectively.
- 3. ATTENDANCE:** Shareholders representing 80.31% of the Company's voting capital, as per (i) the signatures in the "Shareholders Attendance Book"; and (ii) the absentee ballots received directly by the Company and through Banco Itaú S.A., its stock transfer agent, pursuant to CVM Instruction 481/09. Also present was the representative from Martinelli Auditores, Mr. Luiz Carlos Krause.
- 4. PRESIDING BOARD:** Chairman: André Rizk; Secretary: Débora Calabró.
- 5. AGENDA:** (i) to examine, discuss and vote on the terms and conditions of the agreement and plan of merger of Virtual Age Soluções em Tecnologia Ltda., a limited liability company headquartered at Avenida Brasil, 2.185, Centro, CEP 87.201-100, in the city of Cianorte, state of Paraná, inscribed in the corporate taxpayers register (CNPJ/MF) under no. 14.934.661/0001-07 ("VIRTUAL AGE") with the Company ("Merger"), signed on November 17, 2017 between the Company, TOTVS Ventures Participações Ltda., a limited liability company headquartered at Rua Desembargador Euclídes Silveira, 232, CEP 02511-010, in the city of São Paulo, state of São Paulo, inscribed in the corporate taxpayers register (CNPJ/MF) under no. 15.760.400/0001-72 ("TOTVS Ventures") in the capacity as the partners of VIRTUAL AGE, and the management of the Company ("Merger Agreement"); (ii) to ratify the appointment of the expert firm Martinelli Auditores (CNPJ/MF 79.370.466/0001-39) to prepare the valuation report on the book value of VIRTUAL AGE for the purposes of the Merger ("Valuation Report"); (iii) to approve the Valuation Report; (iv) to approve the Merger in accordance with the Merger Agreement; and (v) to elect Ms. Claudia Elisa de Pinho Soares to the Board of Directors of the Company.
- 6. RESOLUTIONS:** After discussing the matters on the Agenda and reading the summarized voting map, consolidating the votes cast through absentee ballots, which was made available to shareholders, pursuant to paragraph 4, article 21-W of CVM Instruction 481/09, recording the abstentions and votes in favor and against, as applicable, shareholders decided:

6.1. To approve, by unanimous vote of the shareholders present, with 100% of votes for, represented by 131,182,927 shares, 0% votes against, represented by 0 shares, and 0% abstentions, represented by 0 shares, the Merger Agreement, which is now an integral part hereof as Appendix 6.1.

6.2. To ratify, by unanimous vote of the shareholders present, with 100% votes for, represented by 131,182,927 shares, 0% votes against, represented by 0 shares, and 0% abstentions, represented by 0 shares, the contracting already made by the management of the Company, of the expert firm Martinelli Auditores (Corporate Taxpayer ID (CNPJ/MF) no. 79.370.466/0001-39) ("Expert Firm"), to prepare the Valuation Report for the purposes of article 227 and in accordance with article 8 of Federal Law 6,404/76.

6.3. To approve, by unanimous vote of the shareholders present, with 100% votes for, represented by 131,182,927 shares, 0% votes against, represented by 0 shares, and 0% abstentions, represented by 0 shares, the Valuation Report prepared based on the balance sheet of VIRTUAL AGE on September 30, 2017, and placing on record that representatives from the Expert Firm were present to answer any questions regarding the Valuation Report.

6.4. To approve, by unanimous vote of the shareholders present, with 100% votes for, represented by 131,182,927 shares, 0% votes against, represented by 0 shares, and 0% abstentions, represented by 0 shares, the Merger, as per the terms and conditions set forth in the Merger Agreement, and the consequent dissolution of VIRTUAL AGE.

6.4.1 To place on record that:

(i) The Merger will not result in any increase or decrease in the shareholders equity or capital stock of the Company since the net assets of VIRTUAL AGE are already fully recorded in the equity of the Company through the equity method of accounting.

(ii) With the dissolution of VIRTUAL AGE as a result of the Merger, its shares will be canceled, pursuant to paragraph 1, article 226 of Federal Law 6,404/76, without the attribution of shares issued by the Company to substitute the rights of shareholders. As a result of the above, it was clarified that the substitution ratio and right of withdrawal do not apply to this case.

(iii) The Company sought the confirmation from the Securities and Exchange Commission of Brazil (CVM), due to the characteristics of the Merger, of its understanding that the preparation of the report mentioned in article 264 of Federal Law 6,404/76 would not be required, and the CVM confirmed its understanding, which was corroborated by the shareholders present in the Meeting.

(iv) Due to the approval of this decision, the management of the Company are authorized to carry out all acts required to consummate the Merger.

6.5. To elect, by unanimous vote of the shareholders present, with 100% votes for, represented by 131,182,927 shares, 0% votes against, represented by 0 shares, and 0% abstentions, Ms.

Claudia Elisa de Pinho Soares, Brazilian, single, business administrator, resident and domiciled in the city and state of São Paulo, with business address in the same city, at Avenida Braz Leme, nº 1000, Casa Verde, CEP 02511-000, registered in the roll of individual taxpayers of the Ministry of Finance (CPF/MF) under no. 005.639.287-78 and holder of identification document (RG) no. 07376147-0 IFP- RJ, as a member of the Board of Directors of the Company, to hold office until the 2018 Annual Shareholders Meeting.

6.5.1 To place on record that:

(i) Ms. Claudia Elisa de Pinho Soares meets the requirements for being considered an Independent Director as per the Listing Regulation of the Novo Mercado segment of B3 (“Novo Mercado Regulation”); and

(ii) the director elected herein will take office immediately after signing the instrument of investiture and the clearance statement, in accordance with applicable laws, and the consent to appointment of managers, in compliance with Novo Mercado Regulation.

6.6. To place on record the request to set up the Audit Board made by shareholders owning more than 2% of the total capital of the Company. However, since there were no nominees to the Audit Board by shareholders, the request for installation could not be fulfilled.

7. **CLARIFICATIONS:** Authorization was given to draw up these minutes in summary format, pursuant to paragraph 1, article 130 of Federal Law 6,404/76, as well as their publication without the signatures of shareholders, pursuant to paragraph 2, article 130 of Federal law 6,404/76, and paragraph 6, article 10 of the Bylaws of the Company.

8. **RECORDS:** Dissenting votes and abstentions were received and, after being numbered and authenticated by the Presiding Board, were filed at the Company’s headquarters, pursuant to paragraph 1, article 130 of Federal Law 6,404/76.

9. **CLOSURE AND SIGNING OF THE MINUTES:** There being no further business to discuss, the meeting was adjourned to draw up these minutes. After the meeting resumed, these minutes, as well as its appendices, were read, approved and signed by all those present, including shareholders who voted through Absentee Ballot, pursuant to article 21-V, sole paragraph of CVM Instruction 481/2009. **Shareholders Present:** Aberdeen Global - Emerging Markets Smaller Companies Fund; Aberdeen Global - Latin American Equity Fund; Aberdeen Global - Technology Equity Fund; Aberdeen Global Brazil Equity Fund; Aberdeen Latin American Equity Fund; Aberdeen Latin American Income Fund LLC; BNP Paribas Trust Services Aberdeen Global Technology Fund; Comgest Growth Plc; Destinations International Equity Fund; Eссор Emergent; Fidelity Advisor Series I: Fidelity Advisor Balanced Fund; Franklin Templeton Investment Funds; Genesis Emerging Markets Fund Limited; Public Employees RE Assoc of New Mexico; Public Employees Retirement System of Ohio; Rbc Emerging Markets Equity Fund; Rbc Emerging Markets Small-Cap Equity Fund; Rbc Funds (Lux) - Emerging Markets Equity Fund; Rbc Funds (Lux) - Emerging Markets Small Cap Equity Fund; Templeton Developing Markets Trust; Templeton em Mark Invest Trust Plc; Templeton Emerging Markets Fund (Us); Templeton Institutional Funds-Emerging Markets Series; Templeton International Emerging Markets Fund;

the Boeing Company Employee Retirement Plans Master Trust; the Master Trust Bank of Japan, Ltd. as T. for M; Vanguard Total International Stock Index Fd, A SE Van S F; VantageTrust III Master Collective Investment Funds Trust; and Variable Insurance Products F Iii; Balanced Portfolio (**p.p. Dr. Paulo Roberto Bellentani Brandão**); Ernesto Mario Haberkorn; Laercio Jose de Lucena Cosentino; and LC EH Part e Empreend SA (**p.p. Rodrigo Sanches Marcon**); **Shareholders who voted through distance-voting Ballot:** Aberdeen Emerging Markets Smaller Company Opportunities F I; Aberdeen Institutional Commingled Funds, LLC; Aberdeen Latin America Equity Fund, Inc; Advanced Series Trust - Ast Goldman Sachs Multi-Asset Portfo; Advanced Series Trust - Ast Parametric Eme Portfolio; Agf Emerging Markets Fund; Agf Emerging Markets Pooled Fund; Altrinsic Emerging Markets Fund, L.P.; Aquila Emerging Markets Fund; Arrowstreet Multi-Strategy Umbrella Plc - Arrowstreet Emfiii; Artisan Global Discovery Fund; Artisan Partners Global Funds Public Limited Company; Baron Collective Investment Trust; Baron Emerging Markets Fund; Baron Emerging Markets Fund Ltd.; Baron International Growth Fund; California Public Employees Retirement System; Central States Southeast Southwest A PE FD; CF DV Acwi Ex-U.S. Imi Fund; CIBC Latin American Fund; City of New York Group Trust; College Retirement Equities Fund; Colonial First State Global Asset Management Equity Trust 3; Commonwealth Emerging Markets Fund 2; Commonwealth of Pennsylvania State and R System; Consolidated Edison Retirement Plan; Cornell University; Desjardins Emerging Markets Multifactor - Controlled Volatil; Eaton Vance Collective Investment Tfe Ben Plans em MQ Equ FD; Eaton Vance Int (Ir) F Plc-Eaton V Int (Ir) Par em Mkt Fund; Eaton Vance Management; Eaton Vance TR CO CO TR FD - PA Str em Mkts EQ Com TR FD; Emerging Mark Small Capitalizat Equity Index Non-Lenda FD B; Emerging Markets Small Capit Equity Index Non-Lendable Fund; Emerging Markets Small Capitalization Equity Index Fund; Essex County Council; Evtc Cit Fof Ebp-Evtc Parametric Sem Core Equity Fund TR; Fidelity Advisor Series I: Fidelity Advisor Value Fund; Fidelity Cap Trust : Fidelity V Fund; Fidelity Devonshire Trust: Fidelity Flex Mid Cap Value Fund; Fidelity Puritan Trust F B Fund; Fidelity Rutland Square Trust Ii: Strategic A and M Fund; Fidelity Salem Street T: Fidelity Total Inte Index Fund; Findlay Park Latin American Fund; First ST Invest Icvc - Stewart Invest GL Emer MK Sust Fund; First State Invest Icvc - Stewart Invest Latin America Fund; Florida Retirement System Trust Fund; Fpa Funds Trust S Fpa International Value Fund; Fundamental Low V I and M Equity; Generosity Limited; Genesis Emerging Markets Business Trust; Genesis Emerging Markets Ltd Partnership; Genesis Smaller Companies; Global Asset Management Strategies - Emerging Markets and S; Gmam Investment Funds Trust; Goldman Sachs Profit Sharing Master Trust; Goldman Sachs Trust Ii- Goldman Sachs Multi-Manager G and Fund; Harbor Diversified International All Cap Fund; Harmony Overseas Equity Pool; Harris Associates Investment Trust; HC Capital Trust the Emerging Markets Portfolio; Howard Hughes Medical Institute; International Monetary Fund; Invesco Developing Markets Fund; Invesco International Small Company Fund; Irish Life Assurance Plc; Ishares Core Msci Emerging Markets ETF; Ishares Core Msci Total International Stock ETF; Ishares III Public Limited Company; Ishares IV Public Limited Company; Ishares Msci Brazil Small Cap ETF; Ishares Msci Emerging Markets Small Cap ETF; Ishares Public Limited Company; Iva International Fund; Iva Overseas Master Fund, L.P.; Kaiser Foundation Hospitals; Kaiser Permanente Group Trust; Kapitalforeningen Investin Pro, Global Equities I; Kapitalforeningen Laegernes Pensionsinvestering, Lpi A GL II; Kapitalforeningen Unipension Invest, Globale Aktier II; Kinsale Navigator Fund; KP International Equity Fund; Legal & General Collective Investment Trust; Legal and General Assurance Pensions Mng Ltd; Lizard Brazil LLC; Macquarie Inv MA Ltd as Res e for W S em Markets Fund; Marathon Global Fund Public

Limited Company; Marathon Ucits Common Contractual Fund - M Global C C Fund; Marathon Ucits Common Contractual Fund - Marathon; Marathon Ucits Funds; Market Vectors Brazil Small-Cap ETF; Microsoft Corporation Savings Plus 401(K) Plan; Mimosa Capital Sicav Azvalor International; National Westminster BK Plc as Depository Omgemfasomif(7; Nextam Partners; NN (L) Emerging Markets High Dividend; Norges Bank; Ntgi-Qm Common Dac World Ex-Us Investable Mif - Lending; Oregon Public Employees Retirement System; Parametric Emerging Markets Fund; Parametric Tax-Managed Emerging Markets Fund; Public Employee Retirement System of Idaho; Rbc Emerging Markets Equity Fund (Usa); Rbc Emerging Markets Small Cap Equity Fund (Usa); Rbs Pension Trustee Limited; Rondure New World Fund; Rothko Emerging Markets All Cap Equity Fund, L.P.; Royce Global Value Trust, Inc.; Royce International Premier Fund; Russell Investment Company Public Limited Company; Segall Bryant & Hamill Collective Investment Trust; Sei Institutional Investments Trust- Emerging Markets and Fund; Smallcap World Fund.Inc; Spdr S&P Emerging Markets ETF; Spdr S&P Emerging Markets Small Cap ETF; Ssga Spdr Etf Europe I Plc; Ssgatc I. F. F. T. E. R. P. S. S. M. E. M. S. C. I. S. L.F.; ST LT Dep Scottish Widows Trks Lat Amr Fun; ST Msci Emerging Mkt Small CI Non Lending Common Trt Fund; ST Str Msci Acwi EX Usa Imi Screened Non-Lending Comm TR FD; ST Str Russell Fund GL Ex-U.S. Index Non-Lend Common TR FD; Stanlib Funds Limited; State of New Jersey Common Pension Fund D; State ST B and T C Inv F F T and Retir Plans; Sunsuper Superannuation Fund; Teachers Retirement System of the State of Illinois; the Bank of New York Mellon Emp Ben Collective Invest FD Pla; the California Endowment; the Genesis Emerg.Markets Invest. CO Sicav; the Genesis Group Trust for Employee Benefit Plans; the Highclere International Investors Emerging M Smid Fund; the Marathon-London Emerging Markets Investment Trust; the Marathon-London Global Investment Trust I; the Mtbj Ltd. as Trt F Hsbc BR Infrastructure EQ Mother Fund; the Pension Reserves Investment Manag.Board; the Regents of the University of California; the Seafarer Overseas Growth & Income Fund; the State Teachers Retirement System of Ohio; the Trustees of the University of Pennsylvania; the Trustees of the University of Pennsylvania Retiree Medic; Uaw Retiree Medical Benefits Trust; University of Pennsylvania Master Retirement Trust; Utah State Retirement Systems; Vanguard Emerging Markets Select Stock Fund; Vanguard Emerging Markets Stock Index Fund; Vanguard Ftse All-World Ex-Us Small-Cap Index Fund Asovieif; Vanguard Global EQ Fund,A S.O.V.Horizon Funds; Vanguard Inv Funds Icvc-Vanguard Ftse Global All Cap Index F; Vanguard Total Wsi Fd, A Sov International Equity Index Fds; Variable Ins. Prod F Ii: Contrafund Portf; Verizon Master Savings Trust; Virginia Retirement System; Voya Emerging Markets High Dividend Equity Fund; Walter Scott & Partners Can Inst Tr- Walter Scott A P e M F; Walter Scott and Partners L G Trust; Washington State Investment Board; Wells Fargo BK D of T Establishing Inv F for e Benefit TR; Wisdomtree Emerging Markets Dividend Fund; Wisdomtree Emerging Markets Smallcap Dividend Fund; Wisdomtree Global Smallcap Dividend Fund; Wisdomtree Issuer Public Limited Company; and Wsib Investments Public Equities Pooled Fund Trust; Fundação Petrobras de Seguridade Social-Petros; and Neo Navitas Master FIA. **Representative of Martinelli Auditores:** Luiz Carlos Krause.

We hereby certify that this is a true copy of the original minutes recorded in the book of minutes.

São Paulo, December 20, 2017.

**Presiding Board:**

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André Rizk  
Chairman of the Meeting

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Débora Calabró  
Secretary