



## TOTVS S.A.

Publicly-Held Company  
CNPJ/MF No. 53.113.791/0001-22  
NIRE 35.300.153.171

### MATERIAL FACT RELEASE

**TOTVS S.A.** (B3: TOTS3; “TOTVS”; or “Companhia”) informs to its shareholders and the market **to have executed**, on the date hereof, jointly with its controlled company Bematech S.A., **a binding Memorandum of Understandings (“MoU”) for the sale, to ELGIN S.A. (“ELGIN”), of its hardware operations in Brazil** conducted through its subsidiary Bematech Hardware Ltda., for the price of R\$25,000,000.00 (twenty-five million Reais), to be paid on closing of the transaction, subject to adjustments.

The decision for the sale of the hardware operations is in alignment with TOTVS strategic plan to focus the attention of its teams and resources in the software operations, allowing a hardware specialist such as ELGIN to enhance its innovation and scale capacities to adequately explore the potential of the commercial automation equipment market, and add more value to clients.

The conclusion of the transaction depends on its approval by the Brazilian antitrust authorities, and on the verification of other conditions typical to this type of deal. The Company will keep the market informed on any material developments.

São Paulo, May 8, 2019

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