



BANCO INDUSVAL S.A.

Public Company with Authorized Capital
Corporate Taxpayer Registry (CNPJ/ME) No. 61.024.352/0001-71
State Board of Trade (NIRE) No. 353.000.242-90
Brazilian Securities and Exchange Commission (CVM) Code: 20885

MATERIAL FACT

Update on Corporate Reorganization

Banco Indusval S.A. ("Voiter" or "Company"), in compliance with Brazilian Securities and Exchange Commission (CVM) Instruction No. 358/2002, as amended, and in addition to the Material Facts disclosed on June 9, 2020 and July 27, 2020 regarding the set of measures approved by the Company's Board of Directors aimed at the reorganization of its operations ("Corporate Reorganization"), hereby informs its shareholders and the market in general of the following updates regarding the Company's Corporate Reorganization.

1. Level 2 Exit Tender Offer for Acquisition

In the context of the tender offer for acquisition of shares issued by the Company in order to exit the listing segment of B3 S.A. – Brasil, Bolsa, Balcão ("B3") called Level 2 to be launched by its controlling shareholder ("OPA"), the Company hereby informs its shareholders and the market in general that the instrument of the OPA ("Notice"), with its full terms and conditions, was made available for reading at CVM's and B3's IPE System, at the Company's headquarters and website (Avenida Presidente Juscelino Kubitschek, nº 50, 4º andar, CEP 04543-000, São Paulo/SP e <http://www.bip.b.br/ri>), and at the headquarters and website of Guide Investimentos S.A. Corretora de Valores, in the quality of intermediary institution for the OPA (Rua Iguatemi, nº 151, 27º andar, Itaim Bibi, CEP 01451-011, São Paulo/SP and <http://www.guide.com.br/investimentos/ofertas-publicas/>).

The OPA will be held on December 10, 2020, at 3:00 pm. The Company's shareholders who join the OPA will be entitled to receive two Brazilian reais and seventy-eight cents (**BRL 2.78**) per common or preferred share issued by the Company owned by them and authorized at the OPA.

2. Right of Withdrawal

On this date the Minutes for the Company's Extraordinary General Shareholders' Meeting held on August 14, 2020 ("AGE 14.08.20") were published, with the approval, among other issues, of the incorporation of all shares issued by the Company by NK 031 Empreendimentos e Participações S.A., a privately held company wholly owned by Roberto de Rezende Barbosa, headquartered in the city of São Paulo, state of São Paulo, at Alameda Santos, nº 1,293, 6º andar, conj. 63, CEP 01419-002, Corporate Taxpayer Registry



(CNPJ/ME) No. 30.613.290/0001-00 ("Holding"), so that the Company becomes a wholly owned subsidiary of the Holding ("Incorporation of Shares").

The publication of the Minutes of AGE 14.08.20 marks the start of the 30-day term for the exercise of the right of withdrawal by the shareholders who did not vote in favor of the Incorporation of Shares, who abstained from voting on this resolution, or who did not attend the AGE ("Right of Withdrawal"). The procedures for exercising the Right of Withdrawal are indicated in the Notice to Shareholders issued by the Company on this date. The Right of Withdrawal may be exercised from November 11, 2020, including, until December 10, 2020, including.

The Company's shareholders who exercise their Right of Withdrawal shall receive two Brazilian reais and eighty-one cents (**BRL 2.81**) per common or preferred share issued by the Company owned by them. It should be emphasized that the effective payment of the reimbursement amount resulting from the exercise of the Right of Withdrawal is conditional on the implementation of the Incorporation of Shares, pursuant to Article 230 of Law No. 6,404/76. Once the Incorporation of Shares is implemented, the Company will disclose the date of payment of the reimbursement.

3. Implementation of the Incorporation of Shares and Migration to the Holding

After the OPA is settled, the Company shall hold an Extraordinary General Shareholders' Meeting exclusively to recognize compliance with the preceding conditions set forth in items (i) and (iii) of Clause 2.1 of the Protocol and Justification for the Incorporation of Shares, after which the Incorporation of Shares shall be submitted to the Central Bank of Brazil ("BACEN").

Once the Incorporation of Shares is approved by the BACEN, the Company's shareholders who choose not to exercise the Right of Withdrawal and do not accede to the OPA shall receive one (1) common share issued by the Holding for every one (1) common share issued by the Company owned by them and one (1) non-redeemable preferred share issued by the Holding for one (1) preferred share issued by the Company owned by them. Non-controlling shareholders holding common and preferred shares issued by the Holding shall have *tag-along* rights in the event of sale of the Holding's control, under the same terms and conditions.

As a new alternative for the Company's shareholders, after the implementation of the Incorporation of Shares, a term of 30 days shall start so that the Holding's shareholders may voluntarily opt for the conversion of all of their common and preferred shares issued by the Holding into preferred shares of a new class, which shall be mandatorily redeemable, in accordance with the terms and conditions set out below, and shall not have tag-along rights in the event of sale of the Holding's control ("Redeemable Preferred Shares"). The Holding's shareholders who choose not to convert their shares issued by the Holding into Redeemable Preferred Shares shall remain with the common shares and non-redeemable preferred shares issued by the Holding that they have received due to the Incorporation of Shares.



The Holding's shareholders who choose to convert all of their common and preferred shares issued by the Holding into Redeemable Preferred Shares shall receive one (1) Redeemable Preferred Share for each common or preferred share issued to the Holding owned by them.

The Redeemable Preferred Shares shall be mandatorily redeemable by the Holding on December 15, 2022, in cash. The redemption amount shall be two Brazilian reais and seventy-eight cents (**BRL 2.78**) for each Redeemable Preferred Share, to be corrected by the change in the CDI¹ rate plus one and five tenths percent (1.5%) per year, according to the period between the date of the effective conversion the Holding's shares into Redeemable Preferred Shares and December 14, 2022.

Alternatively, when receiving the redemption amount indicated above, the holders of Redeemable Preferred Shares may, until December 15, 2021, choose to voluntarily convert their Redeemable Preferred Shares into non-redeemable preferred shares issued by the Holding.

4. Summary – Options Available to Shareholders

As detailed above, the Company and its controlling shareholder offer the following options to the Company's shareholders:

- **Option A:** accede to the OPA, selling their shares issued by the Company at the price of two Brazilian reais and seventy-eight cents (BRL 2.78) for each common or preferred share issued by the Company;
- **Option B:** exercise the Right of Withdrawal, receiving two Brazilian reais and eighty-one cents (BRL 2.81) for each common or preferred share issued by the Company;
- **Option C:** migrate their shareholding position to the Holding, receiving one (1) common share issued by the Holding for every one (1) common share issued by the Company and one (1) non-redeemable preferred share issued by the Holding for one (1) preferred share issued by the Company; and
- **Option D:** shareholders who choose Option C above may also voluntarily convert all of their common and non-redeemable preferred shares issued by the Holding into Redeemable Preferred Shares, the redemption of which shall be mandatory, pursuant to item 3 above, unless the respective shareholder chooses, by December 15, 2021, to convert all of their Redeemable Preferred Shares into non-redeemable preferred shares issued by the Holding, remaining as a shareholder of the Holding.

The shares issued by the Company that are authorized for sale at the OPA shall not be

¹ The CDI rate corresponds to one hundred percent (100%) of the positive change in the average daily rates of interbank deposits of one day, over extra-group, expressed in percentage form per year, base two hundred and fifty-two (252) working days, calculated and disclosed daily by the Center for the Custody and Financial Settlement of Securities (CETIP), calculated *pro rata die*.



eligible to be reimbursed through the exercise of the Right of Withdrawal, nor shall they be replaced by the Holding's shares. Likewise, shares issued by the Company whose reimbursement is required through exercise of the Right of Withdrawal shall not be authorized for sale in the OPA and shall also not be replaced by the Holding's shares.

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The Company points out that this material fact is exclusively informative and does not constitute an offer to acquire securities, or a request to accede to the OPA, exercise the Right of Withdrawal, or migrate to the Holding through the Incorporation of Shares. Each shareholder of the Company should analyze the options available, summarized above, in order to decide which is the best for them.

The Company's Investor Relations department is available to clarify any doubts.

São Paulo, November 10, 2020

CARLOS ANDRE HERMESINDO DA SILVA

Investor Relations Officer