

MATERIAL FACT

Valid purchases agritech company and begins offering digital solutions for agribusiness

Rio de Janeiro, October 22, 2018 - Valid Soluções S.A. ("Company") (B3: VLID3 ON), a Brazilian multinational offering secure technological solutions, based on paragraph 4 of article 157 of Law 6,404/76, as amended, and Instruction 358/02 of the Brazilian Securities and Exchange Commission ("CVM"), as amended, announces the acquisition of **51.8%** of **Agrotopus**, a startup focused on corporate solutions for the agribusiness industry. With this transaction, Valid now has added agritech as a new line of business, specializing in innovative solutions for the entire production chain for farming and agriculture. The acquisition is valued at R\$ **6.5 million**.

Agrotopus' client base includes coffee cooperatives, representing **12%** of the Brazilian market. The focus, in the beginning, will be to consolidate **solutions** related to **secure tracking** and certifications for the origin and the entire production line, which are required by the coffee industry both for the domestic market and for export. The projection is that the company will account for 4% of Valid's total revenue within four years.

The new agro line will launch with three services: the "digital farm" - with Internet of Things (IoT) solutions for coffee producers and cooperatives; the "smart warehouse" - online tracking of the movement of products and batches within the warehouse via RFID (Radio Frequency Identification) tags; and "marketplace" - a secure platform for the sale of supplies or consumption among producers, cooperatives and other players.

The solutions were developed keeping in mind the difficulties around the lack of full connectivity in remote areas. The combination of local processing and subsequent data transfer makes the solution accessible to producers of any size.

"This acquisition is part of the company's **strategy** to align our **global experience with local, innovative, and segmented initiatives.** In addition, we have the opportunity to offer our integrated solutions for digital signatures and certificates, the Internet of Things, Big Data, and Blockchain.

Agrotopus is aligned with our vision for the development of business models for tracking, and this enables us to get into a segment of Brazil's economy with an enormous growth potential and has been leading the adoption of IoT technology," stated Carlos Affonso d'Albuquerque, Valid CEO.

This acquisition opens up yet another **avenue for growth** for the multinational, which operates in several countries, offering a diverse portfolio of secure services for the markets of finance and banking, mobile telephony, identification of persons, objects and transactions, data management, IoT, and Track & Trace.

More information in the attached document.

Rita Cristiane Ribeiro Carvalho CFO and IRO

About Valid:

Valid (B3: VLID3 ON) is a global company with over 60 years of experience in the market and a broad portfolio of security-based technological solutions for the financial and banking markets, as well as mobile, identification, data management, Internet of Things (IoT) and track & trace. Valid has more than 6,000 employees and a presence in 16 countries; with a revenue of USD 493 million in 2017. Today, the company has more than a 60% share of the market for the issuance of identification documents in Brazil, is the fifth-largest producer of SIM Cards in the world, and is among the world's ten largest manufacturers of banking cards. Valid's services readily adapt to the unique needs of each region where we operate to create personalized and integrated solutions for our clients. To learn more, visit www.valid.com.

A NEW BRAND WILL BE **REACHING MILLIONS** OF ACRES.

Valid and Agrotopus together: the delivery of secure solutions all over Brazil and around the world, combined with the digital transformation of agribusiness.

Explore www.agrotopus.com.br (in portuguese) to learn more about the solutions for boosting crop productivity offered by Agrotopus, a Valid company.



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