



LINX S.A.

Publicly-Held Company Corporate

Taxpayer's ID (CNPJ/MF): 06.948.969/0001-75

Company Registry (NIRE): 35.300.316.584

MATERIAL FACT

LINX S.A. (B3: LINX3), pursuant to the paragraph 4 of article 157 of Law 6404, of December 15, 1976, as amended and in force ("Brazilian Corporate Law"), and the Normative Regulation 358, of January 03, 2002, as amended, hereby informs the market and Shareholders the acquisition of Grupo Synthesys ("**Synthesis**"), through the signing, on July 10, 2017, of a Purchase and Sale of Shares Agreement by Linx Sistemas e Consultoria Ltda. ("**LinX**"), a subsidiary of the Company, for 100% of the shares of Synthesis. **Synthesis** operates in the development and commercialization of software for point of sale (POS), electronic payment solutions (TEF) and promotion engine for large retail chains in the main Latin American markets. The estimated gross revenue of Synthesis in the last twelve months is US\$7 million (seven million US dollars).

For the acquisition, Linx will pay US\$16,300,000.00 (sixteen million and three hundred thousand US dollars) in one installment. Additionally, subject to the achievement of financial and operating targets, Linx could pay up to US\$9,500,000.00 (nine million and five hundred thousand US dollars) during the next three years.

The acquisition is aligned with the Company's strategic goals of acquiring technologies for the retail sector and it is the first step in its international expansion, which aims to significantly increase its addressable market and to be prepared to the internationalization of its Brazilian clients. This expansion has been planned since the Company's IPO in 2013 and reflects the consolidation of its internal processes and governance, both essential to a successful expansion. Synthesis, with a strong presence in Mexico and Argentina, among other countries, and a customer base that brings together the largest retail chains in these markets, such as Liverpool, Chedraui, Costco, Grupo Carso, YPF, Cencosud, among others, is a start to the execution of this strategy.



The acquisition was approved by the Company's Board of Directors on the date of signing the Contract, pursuant to article 23, item (xxvii) of the Company's Bylaws, with approval being waived at a Shareholders' Meeting, since this acquisition is not covered by the article 256 of the Brazilian Corporate Law (Lei das Sociedades por Ações).

The conclusion of this transaction is subject to compliance with formalities established by the Public Registry of Commerce of Buenos Aires. As soon as such registration procedures are fulfilled, we will inform the market and Shareholders.

São Paulo, July 10, 2017.

Dennis Herszkowicz
Investor Relations Officer