



HAPVIDA PARTICIPAÇÕES E INVESTIMENTOS S.A.

CNPJ N.º 05.197.443/0001-38

NIRE 233.000.392.71

NOTICE TO THE MARKET

Fortaleza (CE), July 18, 2019 – **HAPVIDA PARTICIPAÇÕES E INVESTIMENTOS S.A.** (B3: HAPV3 – Companhia) pursuant to Section 157, §4º of Law No. 6,404, dated December 15, 1976, as amended, and to the Brazilian Securities and Exchange Commission (*Comissão de Valores Mobiliários*) ("**CVM**") Rule No. 358, dated January 3rd, 2002, as amended, hereby informs its shareholders and the market in general that, today, entered into an agreement for the acquisition of 75% of the shares representing of the capital stock of RN Metropolitan Ltda. ("**RN Saúde**" and "**Transaction**", respectively). The Transaction will be carried out through Hapvida Assistência Médica Ltda., a private corporation controlled by the Company. Simultaneously to the closing of the Transaction, an agreement of quotaholders will enter into force with the remaining quotaholder of RN Saúde.

RN Saúde is headquartered in the city of Uberaba, State of Minas Gerais, operating in the supplementary health sector in the Triângulo Mineiro region and covering approximately 50,000 lives, with net revenues of approximately R\$ 123 million relating to the fiscal year ended December 31, 2018. The price of the acquisition was fixed at R\$ 53 million.

The acquisition will bring operational synergies to the Company and shall corroborate its geographical expansion strategy through the use of a growth platform in the Triângulo Mineiro region, a region with approximately 620 thousand people covered by private health insurance and approximately 2.4 million inhabitants, being consistent with the consolidation of the Company's nationwide coverage.

The acquisition will have immediate payment in cash consideration, discounted (i) the net indebtedness calculated on the date of closing of the Transaction; and (ii) an amount to be withheld to cover any contingencies.

The effective closure of the Transaction is also subject to the approval of the National Supplementary Health Agency (*Agência Nacional de Saúde Suplementar*) ("**ANS**") and the Administrative Council for Economic Defense (*Conselho Administrativo de Defesa Econômica*) ("**CADE**"), in addition to approval at a general meeting of shareholders of the Company, which will be duly called.



In addition, the Company clarifies that the Transaction does not generate any right of withdrawal to its shareholders, once it was carried out by its operating subsidiary, namely Hapvida Assistência Médica Ltda., a private corporation.

The Company will keep the market and its shareholders informed of any relevant updates related to the matters described herein.

Fortaleza, July 18, 2019.

Bruno Cals de Oliveira

CFO and Investor Relations Officer