

## **HAPVIDA PARTICIPAÇÕES E INVESTIMENTOS S.A.**

Publicly-Held Company  
CNPJ/ME nº 05.197.443/0001-38  
NIRE 233.000.392-71

### **MATERIAL FACT**

**HAPVIDA PARTICIPAÇÕES E INVESTIMENTOS S.A.** ("Company"), a public held company, in continuity to the Material Fact disclosed to the market on May 7, 2019, whereby the Company communicated the acquisition, through its subsidiary Ultra Som Serviços Médicos S.A. ("Ultra Som"), of São Francisco Group represented for the total shares of GSFRP Participações S.A. ("GSFRP" and "São Francisco's Group Acquisition"), hereby informs its shareholders and the market in general that, on the date hereof, the Company's Board of Directors approved the first issuance of debentures, with the following characteristics: simple, non-convertible into shares, unsecured, with additional third party guarantee, up to 2 (two) series, amounting to a total of R\$2.000.000.000,00 (two billion reais) ("Debentures" and "Issuance", respectively), with unitary face value of R\$ 1.000,00 (one thousand reais) on its issuance date.

The proceeds obtained by the Company through the Restricted Offer will be used wholly and exclusively for the acquisition of 100% (one hundred percent) of the common shares of GSFRP.

The debentures will be subject to a third party guarantee from Ultra Som and Hapvida Assistência Médica Ltda., and shall be subject to public offer with restricted distribution efforts, pursuant to CVM Instruction No. 476 of January 16, 2009, as amended, granted in firm guarantee by the intermediary financial institutions ("Restricted Offer"), noted that the target public of the Restricted Offer will be exclusively composed of professional investors (as defined in CVM Instruction No. 539 of November 13, 2013, as amended).

The aforementioned issuance shall be in up to two series, in the system of interconnected vessels, and the existence of the second series, the number of Debentures to be issued in each series and the remuneration of each series will be defined after the conclusion of the bookbuilding procedure. The interest on the Debentures of the first series will be limited to a rate of 110.00% (one hundred and ten percent) of the accumulated variation of the daily average of the DI - *Depósito Interfinanceiro, over extra grupo* expressed in an annual percentage based on a year of two hundred and fifty-two business days, calculated and disclosed on a daily basis by B3 ("DI Rate"), with maturity date in 2024. The interest on the Debentures of the second series will be limited to a rate of 110.75% (one hundred and ten whole and seventy-five hundredths percent) of the DI Rate, with maturity date in 2026. The unitary face value of the Debentures of the first series will be amortized in three annual installments, and the unitary face value of the Debentures of the second series will be amortized in two annual installments.

The Company will keep the market and its shareholders informed of any relevant updates related to São Francisco's Group Acquisition and/or the Issuance described herein.

Fortaleza, June 17, 2019.

**Bruno Cals de Oliveira**  
CFO and Investor Relations Director