

**NEGOTIATION POLICY OF SECURITIES ISSUED BY
BLAU FARMACÊUTICA S.A.
(Free Translation)**

**Approved at Meetings of the Company's Board of Directors
Held on October 23, 2017 and January 05, 2018**

1. PURPOSE

1.1. Prepared in accordance with the applicable legislation, this Negotiation Policy aims to define the procedures and criteria to be adopted by Related Persons (as defined below), with respect to the negotiation of Securities (as defined below) issued by Blau Farmacêutica S.A. ("Company") in order to prevent them from being negotiated with the use of Privileged Information (as defined below), as well as the inappropriate use of Relevant Information (as defined below) that have not yet been made public, in compliance with the terms of CVM Instruction 358 (as defined below).

2. DEFINITIONS

2.1. This clause determine the meanings of the terms highlighted in capital letters in this Negotiation Policy. They are:

- (i) Controlling Shareholders** – Shareholders or group of shareholders bound by a voting agreement or under common control exercising control over the Company, pursuant to Law No. 6.404/1976, an its posterior amendments.
- (ii) Managers** - Company's officers and board of directors members.
- (iii) Stock Exchange** – means B3 S.A. – Brasil, Bolsa, Balcão [Brazil, Stock Exchange, Counter], as well as any other stock exchanges or organized counter markets in which the Company has securities admitted to negotiation.
- (iv) Company** - Blau Farmacêutica S.A.
- (v) CVM** – Securities and Exchange Commission of Brazil.
- (vi) Investor Relations Officer** – The Company's officer responsible for providing information to the investing public, CVM and Stock Exchanges, as well as updating the Company's public company registry and monitoring and overseeing compliance with the Disclosure Policy, in accordance with the regulations of the CVM.
- (vii) Privileged Information** – All Relevant Information not yet disclosed to the market and investing public.
- (viii) Relevant Information** – Any decision of a controlling shareholder, a resolution of a Company's Meeting or management bodies or any other political-administrative, technical, business or economic-financial body related to the Company's business, which may have a significant impact on: (i) the quotation of Securities or referenced to them; (ii) the investors' decision to buy, sell or hold the Securities; or (iii) the investors' decision to exercise any rights inherent to the condition of holders of Securities or referenced to them. Sample list of situations that can configure Relevant Act or Fact can be found in article 2 of CVM Instruction 358.
- (ix) CVM Instruction 358** – Instruction CVM no. 358, dated January 03, 2002, as amended.

- (x) **Connected Persons** – Spouse, partner, any descendent or their spouse or partner, any dependent included in the income tax return and directly or indirectly controlled companies.
- (xi) **Related Persons** - Those indicated in article 13 of CVM Instruction 358, including the Company, Controlling Shareholders, directly or indirectly; Managers; members of the fiscal board; members of committees or of any bodies with technical and advisory roles, created by statutory provision; who, by virtue of their position or role in the Company, Controlling Shareholders, Controlled Companies and Affiliated Companies, has committed to this Negotiation Policy and has access to or knowledge of Relevant Information.
- (xii) **Investment Plan** – It is an individual investment plan formalized by a Connected Person, in compliance with Article 15-A of CVM Instruction 358.
- (xiii) **Negotiation Policy** – This Negotiation Policy of Securities Issued of the Company.
- (xiv) **Affiliated Companies** – Companies in which the Company has interests, with 20% (twenty percent) or more, without controlling them.
- (xv) **Controlled Companies** - Companies in which the Company, directly or through other controlled companies, holds the rights of a member that permanently assures them the preponderance of the corporate resolutions and the power to elect a majority of the Officers.
- (xvi) **Adherence Agreement** – The formal instrument, whose model is part of the Negotiation Policy as Annex I.
- (xvii) **Securities** – Shares, debentures, subscription bonuses, receipts and subscription rights, promissory notes, call or put options, indices and derivatives of any kind or any other securities or collective investment contracts or bonds issued by the Company, or referenced thereto, which by legal determination, are considered securities.

3. COVERAGE

3.1. Negotiation Policy and its provisions are applicable to all Connected Persons that have subscribed the Adherence Agreement.

3.2. The Connected Persons shall sign the Adherence Agreement.

3.3. Upon the signature of the instrument of investiture of new Officers and members Fiscal Board the signature of the Adherence Agreement shall be required, and they shall be informed immediately about this Negotiation Policy.

3.4. The Company shall maintain at its headquarters the list of Related Persons and their respective qualifications, indicating the position or function, address and registration number of the National Registry of Taxpayers and/or Legal Entities, updating it whenever there is any change.

3.5. Besides the Connected People, the rules of this Negotiation Policy also apply to the cases in which the negotiation of Securities issued by the Company by the Related Persons are directly and/or indirectly related to their own benefit, through the use of, for example: (a) Connected Persons ; (b) third parties with whom management agreement, trust, management of investment portfolio in financial assets are maintained; (c) attorneys-in-law or representatives; (c) ancestor; and/or (d) relatives until the second degree. Thus, indirect negotiation are those in which Connected Persons, although not conducting them on their behalf, have control and decision-making power over the conduct of the negotiation.

3.5.1. Negotiations carried out by investment funds and/or clubs of which the persons mentioned in the item above are quota holders are not considered indirect negotiations, and are not subject to the prohibition provided in this Negotiation Policy, provided that:

- (i) the investment funds and/or clubs are not exclusive; and
- (ii) the investment fund and/or club manager's negotiation decision may not be influenced in anyway by their respective quota holders.

3.6. This Negotiation Policy shall be fully applicable to loan operations with shares issued by the Company.

4. LIABILITIES

4.1. The liability of the Investor Relations Officer is established to monitor and execute this policy, and it shall inform the competent public bodies and Related Persons of the Securities Negotiation Period.

5. PERIODS OF PROHIBITION TO NEGOTIATION

5.1. The negotiation of Securities by Related Parties is prohibited in the following periods (each a "Securities Negotiation Prohibition Period"):

- (i) during the period in which they have knowledge of Relevant Information not

- yet disclosed to the market until such disclosure is made;
- (ii)** during the period in which there is an intention to promote merger, consolidation or total or partial spin-off, transformation or corporate reorganization involving the Company or related companies, or a relevant part of its assets;
 - (iii)** whenever acquisition or disposal of Securities is carried out by the Company itself, Subsidiaries, Associated Companies or another company under common control, or if an option or mandate has been granted for this purpose in relation to the direct or indirect controlling shareholders, officers and members of the Board of Directors;
 - (iv)** in the period of fifteen (15) days prior to the disclosure of quarterly financial information - ITR and standardized financial statements (DFP); and
 - (v)** during the special negotiation period, to be declared by the Investor Relations Officer.

5.1.1. The special prohibition periods of negotiation shall cover all Connected Persons or a specific group of persons.

5.1.2. If the Investor Relations Officer fails to inform a person that it is subject to a special period of negotiation, it will not be exempt from the obligation to comply with this Negotiation Policy and CVM regulations, especially Instruction CVM 358.

5.1.3. The Investor Relations Officer is not required to provide justification on the declaration of special periods of prohibition to negotiation. In any case, the Related Persons shall keep the information on the statement of the Negotiation Prohibition Period as confidential.

5.2. The Board of Directors may not approve the acquisition or disposal, by the Company, of Securities of its own issuance until information are disclosed to the public, through the disclosure of a relevant act or fact, relating to:

- (i)** celebration of any agreement or contract to transfer the Company's share control; or
- (ii)** granting of option or mandate for the purpose of transferring the Company's share control; or
- (iii)** intention to promote consolidation, total or partial spin-off, merger, transformation or corporate reorganization involving the Company or related companies, or a relevant part of its assets;

5.2.1. If, after the approval of a repurchase program, a fact occurs that falls within any

of the three above hypotheses, the Company will immediately suspend the transactions with Securities of its own issuance until the disclosure of the relevant act or fact.

5.3. The Company may not negotiate Securities issued by the Company that depart from the Company's management prior to the public disclosure of a relevant act or fact related to a business or fact initiated during its management period (i) for a term of six (6) months after its removal or (ii) until such relevant act or fact is disclosed to the market.

5.4. In the cases of the prohibitions provided for in items 5.1 (a) and (b) and 5.3, the trading restriction shall continue to prevail if it may interfere with the conditions of said business, to the detriment of the Company's shareholders or itself. Such additional restriction shall be informed by the Investor Relations Officer.

6. INVESTMENT PLAN

6.1. This Negotiation Policy does not allow the use of Investment Plans.

7. INFORMATION ABOUT MANAGERS AND CONNECTED PERSONS NEGOTIATIONS

7.1. The Managers, Fiscal Board Members and members of bodies with technical or advisory roles of the Company, Affiliated Companies and Controlled Companies shall inform the Company of the ownership of the Company's Securities, either in its own name or on behalf of People, as well as changes in these positions. For purposes of this item, applying, redeeming and negotiating quotas of investment funds whose regulation provides that its portfolio of shares is composed exclusively of shares issued by the Company is equivalent to the negotiation of securities issued by the Company.

7.2. The communication containing the information provided for in paragraph 3 of article 11 of CVM Instruction 358, in the form of Annex II of this Policy, should be sent to the Investor Relations Officer and, through the latter, to the CVM and the Stock Exchange.

7.3. The communication to the Company must be made (i) within 5 days after the completion of each negotiation; and (ii) on the first business day after the investiture in office. The Investor Relations Officer, in turn, shall inform the CVM and the Stock Exchanges within 10 days after the end of the month in which the changes in positions

held are verified, or the month in which the investiture in the position of the persons mentioned above, individually and consolidated by the Company's body. This information should also cover negotiations with Securities made by the Company itself and its Controlled and Associated Companies.

74. The persons mentioned in item 7.1 shall, together with the communication provided for in item (ii) of item 7.3, present a list containing name and registration number in the Related Persons' National Registry of Legal Entities or in the Nacional Registry of Taxpayers. Any change in the list of Related Persons shall be informed to the Company within fifteen (15) days counting from the date of change.

8. PENALTIES

8.1. Without prejudice to the applicable sanctions under the terms of the current law, which will be applied by the competent authorities, in case of violation of the terms and procedures set forth in this Negotiation Police, the Investors Relations Officer shall take the disciplinary measures that are applicable in the Company's internal scope, after consultation with the Board of Directors members. Disciplinary measures may include removal from the position or dismissal of the offender or even termination of the service provision relationship with the Company, Controlled Companies or Associated Companies, as the case may be.

8.2. Should the applicable measure be of legal or statutory competence of the Shareholders' Meeting, the Board of Directors shall convene it to deliberate on the subject.

8.3. The Connected Person that violates the provisions of this Negotiation Policy, causing loss for the Company, shall compensate the Company and/or other Connected Persons, in full and without limitation, of all losses that the Company and/or other Connected Persons may incur and that arise directly or indirectly from such non-compliance, regardless and without prejudice to the applicable sanctions by the CVM.

9. GENERAL PROVISIONS

9.1. This Negotiation Policy will come into effect on the date of granting the Company's registration as a publicly-held company and will remain in force for an indefinite term.

9.2. The Company shall formally communicate the terms of this Negotiation Policy to Connected Persons and obtain a formal Adherence Agreement, which shall remain

filed at the Company's headquarters during the period in which said Connected Person has a relationship with the Company and for at least five (5) years after their removal.

93. It shall be incumbent upon the Investor Relations Officer to evaluate other cases not included in this Negotiation Policy and, if appropriate, to give the Board of Directors a proposal to modify this Negotiation Policy, in order to adapt it to omission situations.

94. By resolution of the majority of its members, any reformulation of this Negotiation Policy shall be carried out by the Board of Directors, which shall be forwarded to the Stock Exchanges and CVM, and the resolution shall be forbidden in the event of relevant Information not yet disclosed by the Company.

95. It is the responsibility of the Connected Persons to also observe the Company's Disclosure Policy of Relevant Acts or Facts.

96. In case of any doubt, breach or suspected breach regarding this Negotiation Policy should be addressed to the Investor Relations area by phone: (55+11) 4615-9403 or e-mail: ri@blau.com.br.

ANNEX I

**TEMPLATE OF ADHERENCE AGREEMENT TO THE NEGOTIATION POLICY OF
SECURITIES ISSUED BY BLAU FARMACÊUTICA S.A.**

I, [name and qualification], [position], hereby declare that I am fully aware of the Negotiation Policy of Securities Issued by Blau Farmacêutica S.A., approved at the Company's Board of Directors meeting held on January 5, 2018, binding to conduct their actions always in accordance with the rules established in the Policy.

[Place and Date]

Name:

Position:

n:

ANNEX II

Template of Negotiations Newsletter

INDIVIDUAL FORM

**Negotiation of Managers and Related Persons – Art. 11 – CVM Instruction no.
358/2002**

In/.....(month/year)

() only the following transactions with securities and derivatives were carried out, in accordance with article 11 of CVM Instruction no. 358/2002.

() no transactions with securities and derivatives were carried out, in accordance with article 11 of CVM Instruction no. 358/2002, and I hold the following positions of securities and derivatives.

Corporate Name:						
Name:					CPF:	
Qualification:						
Initial Balance						
Own Ownership						
Security/ Derivative	Issuing Company (1)	Company	Bonds Characteristics (2)	Quantity	% of participation	
					Same Type/ Category	Total
Spouse and dependents ownership						
Name and CPF:						

Movements in the Month – specify each purchase or sale operation occurred in the month (day, quantity, price and volume)							
Security/ Derivative	Bonds Characteristics (2)	Intermediate	Operation	Day	Quantity	Price	Volume (BRL) (3)
Final Balance							
Security/ Derivative	Issuing Company (1)	Compan	Bonds Characteristics (2)	Quantity	% of participation		
					Same Type/ Category	Total	

- (1) Blau Farmacêutica S.A. and controlled and controller companies that are publicly-held companies
- (2) Issuance/series, conversable, simple, terms, guarantees, type/category, etc.
- (3) Quantity times price.