

B2W – COMPANHIA DIGITAL
CNPJ/ME (00.776.574/0006-60
NIRE 33.300.290.745
Publicly-Held Company

NOTICE TO THE SHAREHOLDERS

B2W – COMPANHIA DIGITAL (the “**Company**”) hereby informs the Shareholders that at the Board of Directors Meeting held on August 19, 2019, the increase of the Company's capital, for private subscription, was approved, pursuant to the following terms and conditions (“**Capital Increase**”):

- 1. Amount of Shares to be Issued and Guaranteed Rights.** The Company will issue, for private subscription, 64,102,565 new common shares, all nominative and with no par value. The shares to be issued will be entitled to all rights granted to the currently existing shares, on equal terms, including dividends, interest on net equity and potential capital compensation, which may be approved by the Company after the confirmation of the Capital Increase.
- 2. Increase of the Corporate Capital.** The Company's corporate capital will be increased, within the limit of authorized capital, in the amount of R\$2,500,000,035.00 (two billion, five hundred million and thirty five reais), being raised from the current amount of R\$5,751,969,431.10 (five billion, seven hundred fifty one million, nine hundred sixty nine thousand, four hundred thirty one reais and ten cents) to R\$8.251.969.466,10 (eight billion, two hundred fifty one million, nine hundred sixty nine thousand, four hundred sixty six reais and ten cents), divided into 521.669.247 common shares, nominative and with no par value, without the need of any amendment to the Company's Bylaws.
- 3. Issuance Price per Share.** The issuance price will be of R\$ 39.00 per share and was calculated pursuant to article 170, paragraph 1, item III of Law No. 6,404/76 (“**Brazilian Corporations' Law**”), based on the average price of the Company's shares in the 7 trading sessions of B3 S.A. – Brasil, Bolsa, Balcão (“**B3**”) prior to the management proposal, weighted by the negotiated volume, in the period from August 09, 2019 to August 19, 2019, included, with a discount of 9.43% over the assessed value, in order to provide incentive for the Company's shareholders to join the Capital Increase.
- 4. Payment Method.** The shares issued within the Capital Increase shall be paid up at sight, in Brazilian currency, on the act of subscription.
- 5. Reasons for the Capital Increase.** Since our creation (2006), B2W has been investing heavily in the business to provide a differentiated value proposition for the huge e-commerce opportunity in Brazil, always with the customer at the center of all decisions.

Our current strategic plan (2017-2019) has accelerated the transformation of B2W into a powerful hybrid digital platform, which is the best combination of e-commerce (1P), Marketplace (3P) and Digital Services.

The Capital Increase will improve our capital structure, while maintaining our commitment for cash generation, enabling us to continue investing in our powerful digital platform and accelerating the growth through a differentiated ecosystem, including LET`S (Flexible Fulfillment Platform), Ame (Mobile Business Platform), and initiatives such as O2O (Online to Offline) and Digital Services, as detailed in presentation also made available to Messrs. Shareholders on this date as an attachment to the Minutes of the Board of Directors' Meeting that approved the Capital Increase (both made available through IPE Module of Empresas.Net System, at www.cvm.gov.br and at www.b3.com.br, and at the Company's Investors Relations website - ri@b2wdigital.com).

6. Preemptive Right. Subject to the procedures set forth by Itaú Unibanco S.A., which is the bookkeeping agent of the shares issued by the Company, and by B3, the shareholders will be entitled to exercise their preemptive right for the subscription of the newly issued shares, in the proportion of their equity interest in corporate capital of the Company on August 22, 2019.

The shareholder who holds 1 share issued by the Company on August 22, 2019 will be entitled to subscribe 0.140094476984 (14.0094476984%) share issued by the Company as a result of the Capital Increase. The preemptive right shall be exercised as from August 23, 2019, included, up to September 21, 2019, included. The shares acquired as of August 23, 2019 (included) will not be entitled the preemptive right to the acquiring shareholder, being traded ex-subscription right.

7. Potential Dilution: The percentage of dilution for the shareholders that, during the exercise period of the preemptive right in the context of the Capital Increase, do not subscribe any shares to which they would be entitled, will be of 12.28797085%.

8. Assignment of the Subscription Right. The preemptive right for the subscription of the newly issued shares may be negotiated and freely assigned at the shareholders' discretion, pursuant to article 171, paragraph 6 of the Brazilian Corporation's Law. Thus, the shareholders who intend to negotiate their subscription rights may do so during the exercise period of the preemptive right, with enough advance so that the assigned subscription rights can be exercised within the relevant period.

The shareholders who own shares issued by the Company whose records are kept by Itaú Unibanco S.A. and intend to privately assign their preemptive rights for the subscription, shall request to Itaú Unibanco S.A. the issuance of the relevant assignment bulletin, available in any of the Itaú Unibanco S.A.'s branches, upon the presentation of the documents listed in item 12 below.

The shareholders whose shares are deposited in B3's Depository Central and intend to negotiate its subscription rights shall contact their custodian agents.

Lojas Americanas S.A. (“**LASA**”), controlling shareholder of the Company, undertook to exercise its preemptive rights for the subscription of new shares, in the proportion of its equity interest in the corporate capital of the Company, as well as to subscribe up to the totality of the potential balance of unsubscribed shares in the context of the Capital Increase, without any preemptive right over the other shareholders and subscribers of the Capital Increase who are interested in the subscription of the unsubscribed shares.

9. Proceedings for the Exercise of the Preemptive Right. The holders of subscription rights whose records are kept by Itaú Unibanco S.A., who intend to exercise their preemptive rights shall, during the subscription period, come before any of Itaú Unibanco S.A.’s branches, bearing the documents listed in item 12. In this event, they shall fill and execute the specific subscription bulletin and pay the full issuance price of the subscribed shares, at sight, in Brazilian currency.

The holders of the subscription rights under the custody of B3’s Depository Central shall exercise the subscription right, during the subscription period, through their custodian agents and in accordance with the rules set forth by the Depository Central.

10. Proceedings for the Subscription of Unsubscribed Shares. The shareholders or assignees of preemptive rights shall express their interest on the reservation of any potential unsubscribed shares and of additional unsubscribed shares in the relevant subscription bulletin. The shareholders or assignees of preemptive rights that express their interest on the reservation of the unsubscribed shares and of additional unsubscribed shares in the relevant subscription bulletin will have five business days, following the disclosure, by the Company, of the calculation of the unsubscribed shares and of the additional unsubscribed shares with the in the corresponding notice, to subscribe the unsubscribed shares or the additional unsubscribed shares, as the case may be, upon completion and execution of the relevant subscription bulletin, and payment of the full issuance price of the relevant shares, at sight, in Brazilian currency. The remaining unsubscribed shares will be once again calculated and then apportioned among the shareholders that have expressed their interest on the reserve of additional unsubscribed shares in the subscription bulletin.

The percentage for the exercise of the subscription right of the unsubscribed shares shall be obtained through the division of the amount of unsubscribed shares by the total amount of shares subscribed by the subscribers or assignees of preemptive rights that have expressed their interest in the unsubscribed shares within the term of the exercise of the preemptive right, multiplying the result of such division by 100. The same reasoning will apply to the additional unsubscribed shares.

Given that LASA, controlling shareholder of the Company, has undertaken to (in addition to exercise its preemptive right for the subscription of shares in the proportion of its equity interest in the corporate capital of the Company) subscribe all unsubscribed shares, not subscribed by the other shareholders, it is expected that there will be no unsubscribed shares after the apportionments. The Company will disclosed through notice in the IPE Module of Empresas.NET System and other electronic channels used by the Company, the information related to the unsubscribed shares and the additional unsubscribed shares.

11. Branches of Itaú Unibanco S.A. The holders of subscription rights whose records are kept by Itaú Unibanco S.A. may exercise the rights mentioned herein in any Branch of Itaú Unibanco S.A.

The investor may also contact Itaú Unibanco S.A. on business days, from 9am to 6pm, at 3003 9285 from capital and metropolitan areas or 0800 720 9285 from other locations.

12. Documentation Required for the Subscription of Shares and Assignment of Subscription Right. The holders of subscription rights under the custody of Itaú Unibanco S.A., who intend to exercise their preemptive right or to assign such right, directly through Itaú Unibanco S.A., shall present the following documents:

Individuals: (i) identification document, (ii) proof of enrollment with the individual taxpayers' registry (Cadastro de Pessoa Física - CPF) and (iii) proof of residence.

Legal Entity: (i) original and copy of the bylaws and minutes electing the current board of officers, or certified copy of the restated articles of association or bylaws, (ii) proof of enrollment with the legal entity' taxpayers' registry (Cadastro Nacional da Pessoa Jurídica – CNPJ), (iii) certified copies of the corporate documents evidencing the powers of the signatory of the subscription bulletin, and (iv) certified copy of the identification documents, CPF and proof of residence of the signatory(ies). Additional documents may be required from investors residing abroad.

Representation by Power of Attorney: in this case, it will be necessary the presentation of a public instrument of power of attorney with specific powers, along with the above mentioned documents, as the case may be, of the grantor and the attorney.

The holders of the subscription rights under the custody of B3's Depository Central shall exercise their preemptive rights through their custody agents, subject to the terms provided by B3 and the conditions hereof.

The execution of the subscription bulletin shall represent the subscriber's irrevocable and irreversible will to acquire the new subscribed shares, generating to the subscriber an irrevocable and irreversible obligation to fully pay in such shares, upon subscription.

13. Confirmation of the Capital Increase. At the end of the period for exercising preemptive rights and the period for subscribing any remaining unsubscribed shares, the Company's Board of Directors shall meet to confirm the Capital Increase. For purposes of clarity, no indication is being made to a partial confirmation, since LASA, the controlling shareholder of the Company, has expressed its intention to subscribe all shares to which it is entitled, as well as any remaining unsubscribed shares available in the context of the additional unsubscribed shares apportionment, without prejudice to the right granted to the unsubscribed shareholders to compete with LASA in such subscription.

14. Crediting of Shares. The issued shares shall be credited in the first business day after the confirmation of the Capital Increase by the Board of Directors of the Company, and shall be viewable in the shareholders' statements at the fourth business day after the confirmation.

15. Requests for Clarification. The Investor Relations Department of the Company remains at the disposal of the shareholders to clarify any questions related to the purpose of this notice through the telephone +55 (21) 2206-6000 or through the email ri@b2wdigital.com.

Rio de Janeiro, August 19, 2019.

Fábio da Silva Abrate
Investor Relations Officer