ENGIE BRASIL ENERGIA S.A.
A Publicly Held Company – CNPJ 02.474.103/0001-19
NIRE 4230002438-4

MATERIAL FACT NOTICE

CLOSING OF THE SALE TRANSACTION FOR DISPOSAL OF THE JORGE LACERDA THERMAL POWER COMPLEX

ENGIE BRASIL ENERGIA S.A. ("Company"), a corporation, listed as a publicly traded corporation before the Brazilian Securities Exchange Commission ("Comissão de Valores Mobiliários" – CVM), pursuant to the contents of Article 157, paragraph 4, of Law 6,404, of December 15, 1976, as amended ("Corporations Law") and CVM Instruction No. 44, of August 23, 2021, which superseded CVM Instruction No. 358, of January 3, 2002, in continuation of the Material Fact Notice released on August 30, 2021, hereby informs its investors and the market at large of the following:

On the present date, with the conditions precedent fulfilled, the Company completed the sale of the entirety of the equity stake that it and ENGIE Brasil Energia Comercializadora Ltda. ("EBC") hold in Diamante Geração de Energia Ltda ("Diamante"), which holds the entirety of the assets comprising the Jorge Lacerda Thermal Power Complex.

The acquisition price for 100% of the equity stake in Diamante shall be up to R$ 325,000,000.00 (three hundred and twenty-five million Brazilian Reais), of which R$ 210,000,000.00 (two hundred and ten million Brazilian Reais) were paid on the operation close and up to R$ 115,000,000.00 (one hundred and fifteen million Brazilian Reais) are subject to the fulfillment of certain conditions as provided in the Quota Purchase and Sale Agreement (QPA).

"Conclusion of the sale of the Jorge Lacerda Thermal Power Plant Complex is positive for the Company's plans to focus operations and investments in renewable energy and transmission infrastructure projects. In addition, it is important for the economy of the south of Santa Catarina to reinvent itself, enabling a socially fair transition and mitigating potential impacts compared with a process of short-term discontinuation of the operations," said Eduardo Sattamini, Chief Executive and Investor Relations Officer of ENGIE Brasil Energia.

The operation is not covered by the contents of Articles 256 and 122, item X, of the Corporations Law and shall therefore not be submitted to ratification by the General Meeting of shareholders.

Additionally, the Company and EBC granted to Diamante Holding Participações Ltda. an option to purchase the Norte Catarinense Thermoelectric Power Plant Project, which comprises the future implementation of a natural gas power plant, with an installed capacity of approximately 600 MW, located in the municipality of Garuva, in the Northern region of the State of Santa Catarina.

The Company will keep its shareholders and the market at large duly informed, in a timely manner, on developments associated with this or any other matter of relevance to the market.

Florianópolis, October 18, 2021.

Eduardo Antonio Gori Sattamini
Chief Executive and Investor Relations Officer