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

MATERIAL FACT NOTICE

SIGNING OF THE SHARE PURCHASE AGREEMENT FOR THE ACQUISITION OF 100% OF THE SHARES OF A COMPANY THAT HOLDS AN ELECTRICITY TRANSMISSION CONCESSION IN BRAZIL

ENGIE BRASIL ENERGIA S.A. ("Company"), a corporation, registered as a publicly held company with the Brazilian Securities and Exchange Commission ("CVM"), pursuant to the provisions of Article 157, Paragraph 4, of Law # 6,404 of December 15, 1976, as amended ("Brazilian Corporations Law") and CVM Instruction # 358 of January 3, 2002, as amended, hereby informs the market at large as follows:

On the date hereof, a share purchase and sale agreement ("Agreement") was entered into by and among ENGIE Transmissão de Energia Participações S.A. ("ENGIE Transmissão"), controlled by the Company, as purchaser, Sterlite Brazil Participações S.A. ("Sterlite Participações"), as seller, and Sterlite Novo Estado Energia S.A. ("Novo Estado"), as intervening party, which regulates the acquisition by ENGIE Transmissão of the totality of the shares of Novo Estado from Sterlite Participações.

The closing of the transactions provided for in the Agreement are subject to the satisfaction of certain conditions precedent, including the approval by Brazilian Electricity Agency (*Agência Nacional de Energia Elétrica – ANEEL* ("ANEEL")).

The acquisition price for 100% of the shares of Novo Estado will be up to R$ 410,000,000.00 (four hundred and ten Million Brazilian Reais), subject to adjustments until the closing date.

The signing of the Agreement by ENGIE Transmissão and the transactions contemplated therein were approved in the Meeting of the Board of Directors of the Company held on the date hereof.

Sterlite Participações, through its controlling company, was awarded with the Lot 3 of the ANEEL Transmission Auction # 002/2017 performed on December of 2017, and that resulted in the signing, between Novo Estado and ANEEL, of the Concession Agreement # 003/2018. The object of such concession is the construction, operation and maintenance of approximately 1,800 kilometers of transmission lines, one new substation and expansion of other three substations in the States of Pará and Tocantins. All installation licenses of the Project were already issued, and the respective construction works are estimated to start in 2020.

"This acquisition is in line with the strategy of the Company of being positioned as one of the key players in the Brazilian energy infrastructure", said Eduardo Sattamini, Chief Executive Officer.

Finally, the Company reiterates its commitment to keep shareholders and the market at large informed about the progress of this and any other matters of market interest.

Florianópolis, December 23, 2019.

Eduardo Antonio Gori Sattamini
Chief Executive and Investors Relations Officer