



TRANSMISSORA ALIANÇA DE ENERGIA ELÉTRICA S.A.

Publicly-held company – CVM 2025-7

CNPJ (EIN) 07.859.971/0001-30

NIRE 33.3.0027843-5

MATERIAL FACT

Transmissora Aliança de Energia Elétrica S.A. ("Taesa" or "Company"), pursuant to the Brazilian Securities and Exchange Commission (CVM) Instruction No. 358, dated January 3, 2002, as amended, and for the purposes of paragraph 4, article 157, of Law No. 6,404, dated December 15, 1976, as amended ("Corporation Law"), hereby informs the following to its shareholders, the market in general and other stakeholders:

On this date, the Company entered into a Sales and Purchase Agreement ("Agreement") with Âmbar Energia Ltda. ("Âmbar") and Fundo de Investimento em Participações Multiestratégia Milão ("FIP" and, together with Âmbar, "Sellers"), for the acquisition by the Company of (a) all shares representing the total and voting capital of (a.1) São João Transmissora de Energia S.A. ("SJT") and (a.2) São Pedro Transmissora de Energia S.A. ("SPT"), and (b) of 51% of the shares representing the total and voting capital of (b.1) Triângulo Mineiro Transmissora de Energia S.A. ("TMT") and (b.2) Vale do São Bartolomeu Transmissora de Energia S.A. ("VSB") (jointly, the "Companies" and the "Acquisition", respectively). J&F Investimentos S.A. ("J&F") signed the Agreement as the joint guarantor of the Sellers' obligations.

The completion of the transaction results in the acquisition of important strategic assets located in the Company's areas of operation, providing great geographical complementarity with Taesa's portfolio of transmission line concessions, and thus contributing to its growth plan and its consolidation in the Brazilian transmission sector. The supporting material containing further details on the Acquisition and the acquired Companies is available for consultation on the Company's website (www.taesa.com.br/ri), on B3 S.A. – Brasil, Bolsa, Balcão website (www.b3.com.br) and on the Brazilian Securities and Exchange Commission (CVM) website (www.cvm.gov.br).

For the Acquisition, the Company will pay to the Sellers the amount of R\$ 942,537,000.00 (base date: December 31, 2018), subject to monetary restatement by the variation of the Interbank Deposit Certificate (CDI) rate from the base date until the closing date, and to positive or negative adjustments resulting from, among others, the variation between the net debt and the working capital between the base date and the closing date, as well as other adjustments after the closing. It is worth highlighting that the Agreement provides for, under certain conditions, the possibility of different closing dates for the Companies.

The closing and accomplishment of the Acquisition are subject to certain precedent conditions, including, among others, (a) regulatory authorizations of ANEEL and CADE; (b) the non-exercise of the preemptive right by Furnas Centrais Elétricas S.A. ("Furnas") in relation to shares issued by TMT and the non-exercise of the preemptive right by Furnas and CELG Geração e Transmissão S.A. in relation to shares issued by VSB; (c) approval at the Company's general meeting, pursuant to

article 256 of the Brazilian Corporation Law; (d) confirmation of fulfillment of the obligations set forth in the Leniency Agreement signed by J&F and the Sellers, including the commitment that no indemnifying or sanctioning measures be proposed against the purchaser; and (e) non-occurrence of material adverse effect.

The Acquisition will be submitted for appreciation by the General Meeting, whose call notice will be published on December 19, 2018 ("General Meeting"), since the aggregate amount of the shares of the Companies targeted in the Acquisition represents a material investment for Taesa, pursuant to article 256, item I, and article 247 of the Brazilian Corporation Law. Moreover, the Company's Bylaws also provides for that the General Meeting is responsible for the acquisition of equity control or equity interest in other companies, pursuant to its article 12, paragraph one, item 'o'.

The resolution on the aforementioned matter will not give rise to any right of withdrawal, since the condition for application of paragraph 2, article 256, of the Brazilian Corporation Law was not verified; that is, the price of Acquisition does not exceed one and a half times the highest of the three amounts referred to in item II of the head provision of said article. Thus, it is worth highlighting that there will be no right of withdrawal for dissenting shareholders regarding the resolution of the Meeting approving the Acquisition.

The main terms and conditions of the Agreement, as well as the valuation report and other relevant documents, are included in the proposal of Taesa's management to be submitted to the General Meeting ("Management Proposal"). The Management Proposal and the call notice for the General Meeting will be filed at the Company's headquarters and will be available for consultation on the Company's website (www.taesa.com.br/ri), on B3 S.A. – Brasil, Bolsa, Balcão website (www.b3.com.br) and on the Brazilian Securities and Exchange Commission (CVM) website (www.cvm.gov.br).

The Company will keep its shareholders and the market informed on a timely manner in accordance with current legislation on the development of the matters covered in this Material Fact.

Rio de Janeiro, December 17, 2018.

Marcus Pereira Aucélio
CFO and Investor Relations Officer
Transmissora Aliança de Energia Elétrica S.A.