

**UNICASA INDÚSTRIA DE MÓVEIS S.A.**

Company Registry (NIRE) 43300044513-RS

Corporate Taxpayer ID (CNPJ/ME) 90.441.460/0001-48

**MATERIAL FACT**

Bento Gonçalves, RS, December 03, 2019 – Unicasa Indústria de Móveis S.A. (BM&FBOVESPA: UCAS3, Bloomberg: UCAS3:BZ, Reuters: UCAS3), hereby announces to its shareholders and the market, in continuity to the material fact disclosed on November 13, 2019, that the shareholders, in the meeting held on this date, approved the reduction of the Company's capital stock by forty million, seven hundred eight thousand, nine hundred twenty reais and ninety-six centavos (R\$40,708,920.96), without cancellation of shares, maintaining unchanged the percentage of interest held by shareholders in the Company's capital stock, broken down as follows - thirteen million, seven hundred eighty-four thousand, seven hundred forty-two reais and fifty-eight centavos (R\$13,784,742.58) to absorb accumulated losses, and two million, six hundred fifty-eight thousand, three hundred forty-three reais and ninety-two centavos (R\$2,658,343.92) to absorb the negative balance in the capital reserve, both disclosed in the financial statements for the fiscal year ended on December 31, 2018, and twenty-four million, two hundred sixty-four thousand, eight hundred thirty-five reais and forty-six centavos (R\$24,265,834.46) for considering it in excess, and to refund R\$0.367183682 per share to shareholders, pursuant to article 173 of Federal Law 6,404/76.

The capital stock will decrease from one hundred eighty-seven million, seven hundred eight thousand, nine hundred twenty reais and ninety-six centavos (R\$187,708,920.96) at present to one hundred forty-seven million reais (R\$147,000,000.00), while continuing to be represented by sixty-six million, eighty-six thousand, three hundred sixty-four (66,086,364) registered common shares with no par value, and the consequent amendment of the head paragraph of article 5 of the Bylaws of the Company.

Considering that the purpose of the capital reduction is not only to absorb accrued losses and the negative balance in the capital reserve, but also to refund to shareholders a portion of the value of shares, said resolution will only take effect sixty (60) days after the disclosure of the minutes of said Shareholders Meeting, pursuant to article 174 of Federal Law 6,404/76.

If the resolution takes effect, shareholders of record on February 5, 2020 shall be entitled to the refund and the Company's shares will be traded "ex-refund" as of February 6, 2020. The amounts will be paid on February 14, 2020.

For non-resident shareholders, the Company will withhold income tax at source on the positive difference, when applicable, between the amount received due to capital reduction and the corresponding cost of acquisition of the shares, by applying progressive rates that vary between 15% and 22.5% depending on the amount of gain recognized (or 25% in case of non-resident shareholders located in low tax or tax-free jurisdictions, as defined by tax authorities).

Therefore, Non-Resident Shareholders must inform within five (5) business days prior to the aforementioned date of capital refund, the average cost of acquiring shares issued by the Company directly to it, to the care of the Investor Relations Department by sending an e-mail to [ri@unicasamoveis.com.br](mailto:ri@unicasamoveis.com.br) or a letter to the headquarters of the Company, as well as their respective custody agents, in each case also sending the appropriate documents that corroborate the average cost informed by the respective Non-Resident Shareholder. To determine the acquisition cost, Non-Resident Shareholders shall inform and prove the acquisition cost in Brazilian real, based on the exchange rate of the foreign currency on the date of acquiring the shares of the Company, pursuant to applicable laws.

If a Non-Resident Shareholder does not inform the respective average acquisition cost, or, at the Company's discretion, does not send the necessary documentation to corroborate the informed average cost within five (5) business days prior to the scheduled capital refund date, the Company will assume that the Non-Resident Shareholder's acquisition cost is zero and the amount received pursuant to capital reduction will be fully considered capital gain, as authorized by applicable laws. In any case, any tax assessment notice received by the Company for insufficient payment of income tax, including due to the information submitted, it will be the sole responsibility of the Non-Resident Shareholder and their legal representative in Brazil.

**Gustavo Dall Onder**  
Investor Relations Officer

**About Unicasa:** Unicasa Indústria de Móveis S.A. (BM&FBOVESPA: UCAS3, Bloomberg: UCAS3:BZ, Reuters: UCAS3.SA) is one of the leading companies in Brazil's custom-made furniture industry and the only Brazilian publicly held company in the sector. The Company operates through five brands - Dell Anno, Favorita, New, Casa Brasileira and Unicasa Corporate - distributed across 193 exclusive stores in Brazil and 17 other countries. Situated on an area of 50,000 m<sup>2</sup>, with annual production capacity of around 2.2 million modules, its plant is located in Bento Gonçalves in the state of Rio Grande do Sul. For more information, visit our investor relations website: [ri.unicasamoveis.com.br](http://ri.unicasamoveis.com.br)

**Investor Relations**  
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