

## MARKET ANNOUNCEMENT

**CENTRAIS ELÉTRICAS BRASILEIRAS S/A**  
 CNPJ: 00.001.180/0001-26 | NIRE: 533.0000085-9  
 PUBLIC COMPANY

**Centrais Elétricas Brasileiras S/A** ("Company" or "Eletrobras") (B3: ELET3, ELET5 & ELET6; NYSE: EBR & EBR.B; LATIBEX: XELT.O & XELT.B) hereby informs its shareholders and the market in general, that the Eletrobras Board of Directors approved, on this date, a credit operation of its subsidiary Chesf, in the amount of R\$ 263,115,874.76 with Banco do Nordeste do Brasil - BNB.

The operation aims to finance reinforcements and improvements to the Chesf transmission system, and has resources from the Constitutional Fund for Financing in the Northeast (FNE), managed by BNB, with an interest rate forecast for the month of December/2020, of IPCA + 1.8698% py to 65.14% of the financing, and IPCA + 1.5299% py for the other 34.86% of the financing, without considering the default bonus provided.

The operation has a grace period of 24 months and amortization in 132 months.

Operation guarantees:

Guarantees	Specification
<b>Fidejussory</b>	Eletrobras guarantee
<b>Fiduciary Assignment in Reserve Account</b>	4.82% of the sum of the outstanding balance
<b>Binding and Centralization of Receivables</b>	Processing of other transmission revenues in the minimum monthly amount of R\$ 40,200,000.00.
<b>Credit Rights Assignment and Binding</b>	Revenues from additional AARs linked to the projects subject to the credit instrument, in the minimum monthly amount of BRL 8,027,352.75.

Rio de Janeiro, December 18, 2020

Elvira Cavalcanti Presta  
**CFO and Investor Relations Officer**