

RELEVANT FACT

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, on this date, the Company's Board of Directors approved the debt renegotiation of the private distributor Amazonas Energia S/A ("Debtor"), with Eletrobras, in the total amount of R\$ 4,033,855 thousand (Four Billion, Thirty-Three Million, Eight Hundred and Fifty-Five Thousand Reais), called "Debt", on the base date of October 30, 2020, as follows:

BRL Thousand

Contract	Amortization start	Term (months)	Rate (CDI + %)	Balance due 10/30/2020
ECF-3382/19	12.30.2023	120	CDI+3	1,933,539
ECR-0289/14-JN	12.30.2023	120	CDI+3	1,048,030
ECR-0284/14D-JN	12.30.2023	120	CDI+3	483,109
ECF-2903/10-JN	12.30.2021	24	CDI+3	202,058
ECF-3361/18-JN	12.30.2021	24	CDI+3	139,446
ECF-3378/19	12.30.2021	24	CDI+3	44,658
ECF to be signed	12.30.2021	24	CDI+3	183,014
				4,033,855

As warranty of the Debt, the Debtor will assign to Eletrobras the Fixed Assets in Reimbursable Course ("AIC"), in the total amount of R\$ 723,129,188.97 (Seven Hundred Twenty Three Million, One Hundred Twenty Nine Thousand, One Hundred Eighty Eight Reais and Ninety Seven Cents), within the limit of the Debt's annual payment flow. It is revenue from the non-depreciated amounts of AIC, pursuant to art. 8 of Law No. 12,783, of 2013, Official Letter No. 273/2020-DR/ANEEL of ANEEL and Official Letter No. 357/2020/SE-ME of the Ministry of Mines and Energy.

The amount of this warranty is sufficient to cover the financial flow of the contract until the end of the grace period, considering the interest due until November 2021. With the beginning of the amortizations, the value of the AIC portion ceases to cover the total value of the portion, requiring an additional guarantee, to be offered by the Debtor in December 2021. After the end of receipt of the AIC, expected to occur in March 2024, the Debtor is required to submit a new guarantee to cover the full amount of the remainder of the balance due, or, alternatively, a guarantee on the value of the installments due in the next 12 months, that would need to be renewed each year.

Below, can be found the simulation of the sufficiency of the AIC as a debt guarantee instrument and the need for additional guarantees:

BRL Thousand

Period	Period	Flow payments (BRL)	Warranty AIC * (R\$)	Additional Warranty (BRL)
Grace period of principal	until nov/21	205,285	202,186	-
Beginning of amortization of contracts with lesser grace period until the end of AIC receipts	from dec/21 to feb/24	1,235,788	634,161	601,627
End of AIC receipts until settlement of all contracts	from mar/24 to may/30	4,769,508	-	4,769,508

* Value updated by SELIC

The debt renegotiation will also contain early maturity clauses in case there are 3 (three) defaulting installments; possibility of assigning contract credits to third parties without the Debtor's consent; and the Debtor's obligation to regularly send information about the company and compliance with the Business Plan to Eletrobras.

As of September 30, 2020, Eletrobras had an allowance for loan losses - PCLD for this debt in the total amount of R\$ 870 million. Such provision should be reassessed in accordance with Eletrobras' PCLD policy and as the funds enter Eletrobras.

The Company will keep the market informed of the matter covered by this Relevant Fact.

Rio de Janeiro, December 18, 2020.

Elvira Cavalcanti Presta
Diretora Financeira e de Relações com Investidores