

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 the Board of Directors of the subsidiary Furnas Centrais Elétricas S.A. ("Furnas") approved a judicial agreement, referring to lawsuit 0022769-87.2006.8.19.0001 ("Agreement"), filed by Light Serviços de Eletricidade S/A ("LIGHT") against Furnas, aiming at recovering amounts unduly paid to Furnas, as an energy supply tariff, in 1986.

The value of the Agreement is BRL 496,000,000.00 (four hundred and ninety-six million reais), to be paid by Furnas, as follows:

- a) BRL 336,000,000.00 (three hundred and thirty-six million reais), in a single installment, maturing on 12.28.2020.
- b) BRL 40,000,000.00 (forty million reais), in a single installment, maturing on 12.05.2021,
- c) BRL 120,000,000.00 (one hundred and twenty million reais), in a single installment, maturing on March 18, 2022, which can be fully or partially offset with the transfer of assets related to the Other Transmission Facilities ("DIT") mandatory and/or optional, located in the concession area of Light and agreed between the Parties, with the consent of the National Electric Energy Agency - Aneel, based on the values recognized in the asset base of Light and approved by the Agency until March 15, 2022, according to Normative Resolution No. 758/2017. Any existing differences to be paid or received, by Furnas and Light, arising from the DITs that may be transferred to Light and the agreed amount must be paid in this last installment.

Until September 30, 2020, the aforementioned lawsuit was not provisioned because Furnas had had a sentence and appeals favorable to its understanding, within the scope of the Rio de Janeiro Court of Justice. However, due to procedural progress and new unfavorable decisions in appellate instances with the Superior Court of Justice ("STJ"), the risks involved were reassessed, increasing the expectation of loss. For this reason, the judicial agreement was considered the best alternative for ending the case.

The effects of the aforementioned agreement will be addressed in the Quarterly Financial Information for the period ending on December 31, 2020.

Rio de Janeiro, December 22, 2020.

Elvira Cavalcanti Presta
Diretora Financeira e de Relações com Investidores