4Q21 Results

Presentation

Disclaimer

Eletrobras

This statement may contain **estimates and forecasts** which **are not statements of facts happened in the past**, but they **reflect beliefs and expectations of our management** and may stand as estimates and forecasts on **future events** according to Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended.

Words “believes”, “might”, “may”, “estimates”, “continues”, “foresees”, “intends”, “hopes” and similar ones are targeted at spotting **estimates that necessarily imply risks and uncertainties, regardless of current awareness on them.**

Known **risks and uncertainties** include, without limitation: **economic, regulatory, political and commercial conditions** at large in Brazil and abroad, **changes in interest rates, inflation and value of Brazilian Reais**, **changes in volumes and standard for use of electric energy** by consumers, **competitive conditions**, our level of **indebtedness**, the possibility of receiving **payments connected to our receivables**, **changes in our rainfall and water levels** in the reservoirs used to operate our hydropower plants, our **plans concerning financing and capital investment, governmental regulations** existing and future, as well as other risks described in our annual report and other documents registered before the CVM and SEC.

Estimates and forecasts refer only to the date on which they were expressed and we undertake **no obligation to update any of these estimates or forecasts** as a result of new information or future events. The future results of operations and efforts of Companies may be different from the current expectations, **and investors should not rely solely on the information contained hereunder.**

This material contains **calculations that may not reflect accurate results due to the rounding of numbers.**

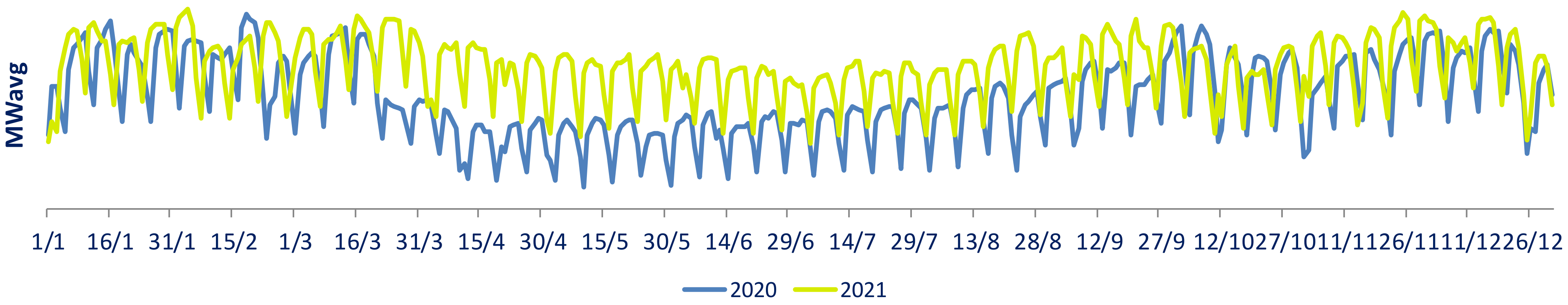
As a result of the guidelines of Official Letter CVM/SNC/SEP 04/2020, issued on 12/01/20, Eletrobras made adjustments to its transmission assets - RBSE, until then classified as financial assets for contract assets under the terms of CPC 47- Costumer Contract Revenue. Throughout the 2021 quarterly disclosures, comparisons with the 2020 quarters will be properly restated.

Financial and Operating Highlights

Eletrobras – Sectoral and Economic Context

Eletrobras

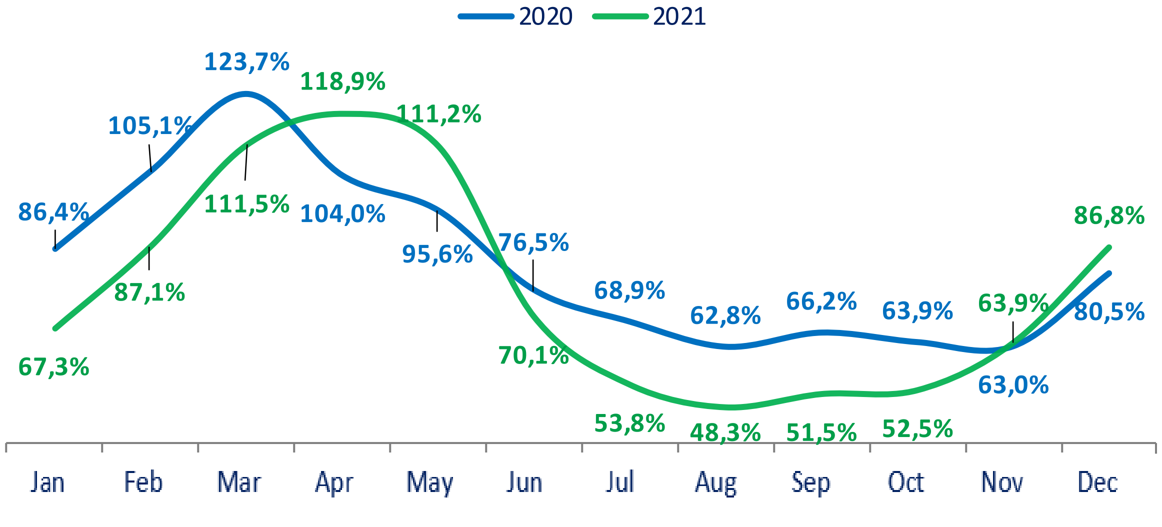
Daily Energy Charge in Brazil 2021 x 2020

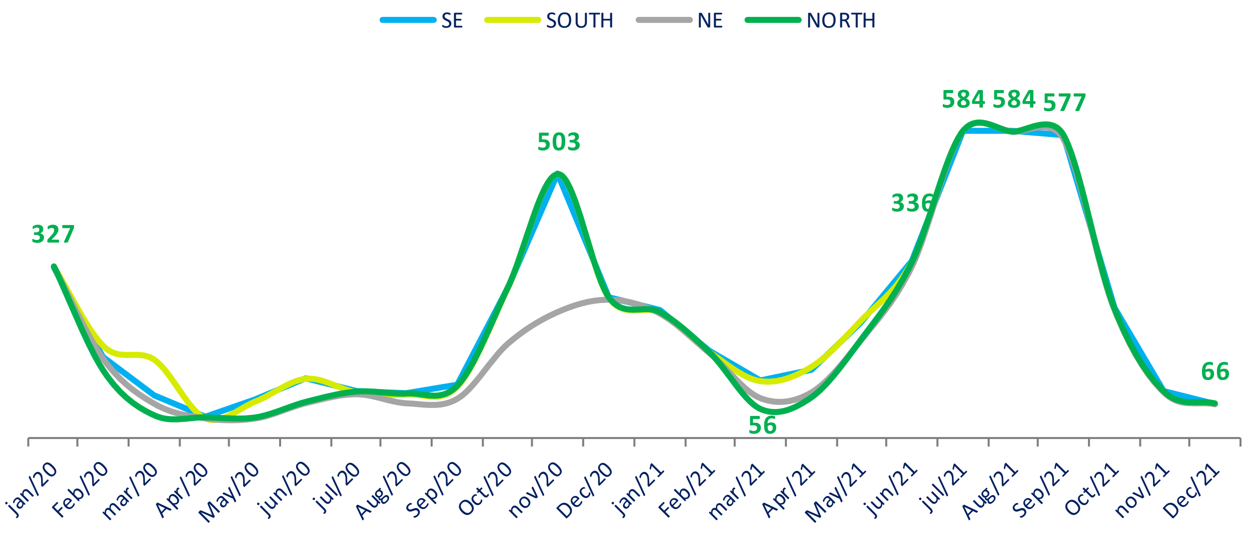


8% in 2021

2.5% in 4Q21

GSF (%) PLD (Differences Settlement Prices) (R$ / MWh)





Generation Performance in 2021

Eletrobras

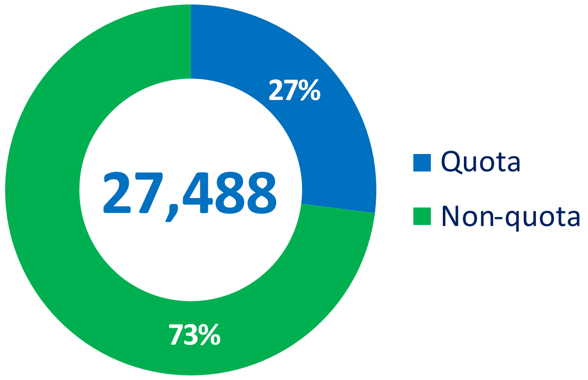
Installed Capacity

50,515 MW

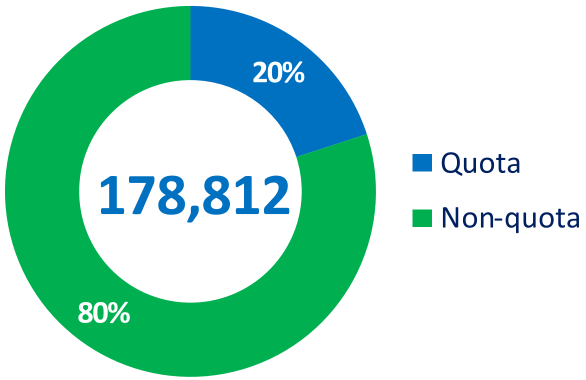
Around

28% of Brazil

Physical Guarantee (MWavg)



Generated Energy gerada (GWh)

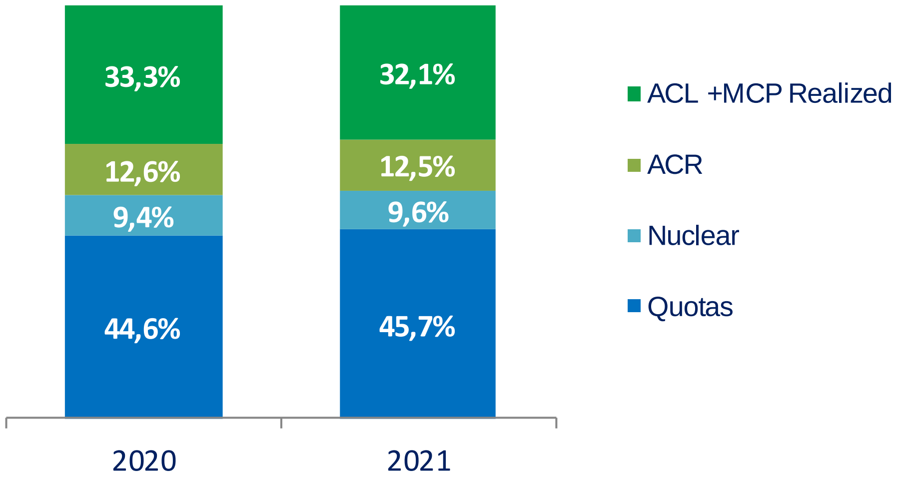


Around

30% of Brazil

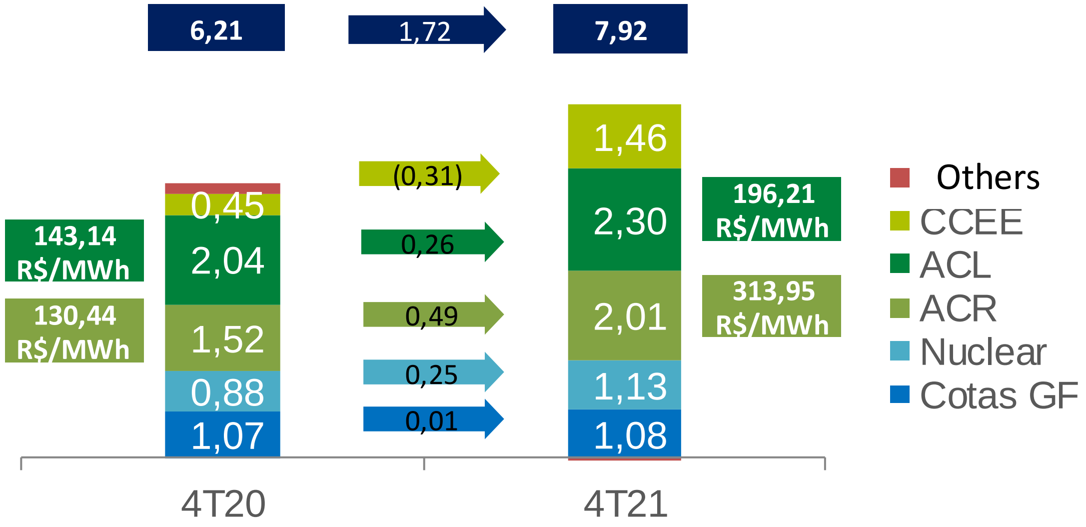
It considers corporate enterprises, SPEs and half of Itaipu

Energetic Balance 2020-2021 (basis: Dec/2021)



It considers the resources available for the energy sale net of hedge to protect against hydrological risk

Generation Revenue 4Q21 (R$ billion)



The average ACR price does not consider Amazonas GT, due to its particularities (PIEs and availability contract) Others: Import, Construction Revenue, Financial Effect of Itaipu and Elimination (accounting adjustments - internal sales) internas)

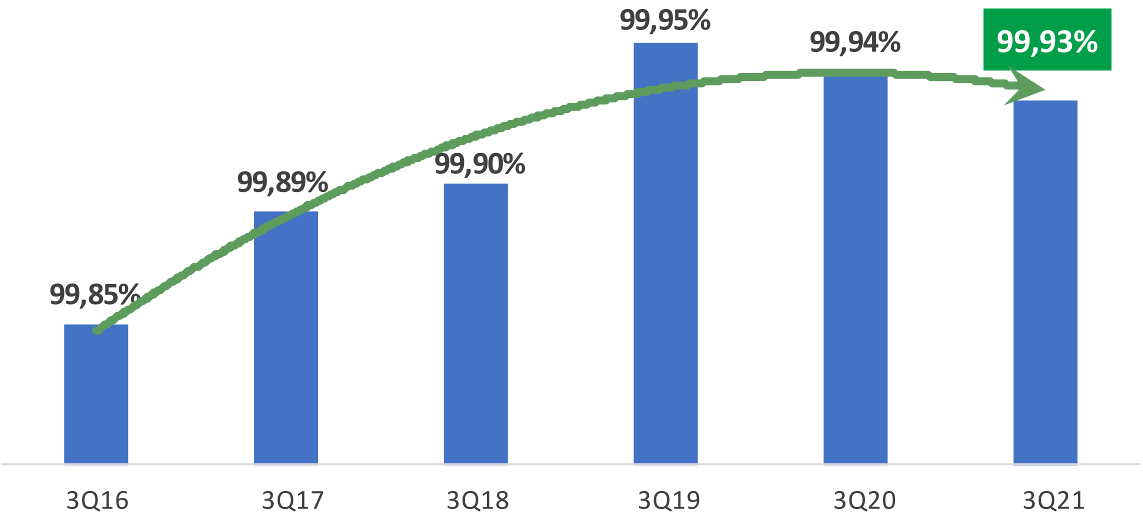
Transmission Performance in 2021

40.2% **of Brazil**

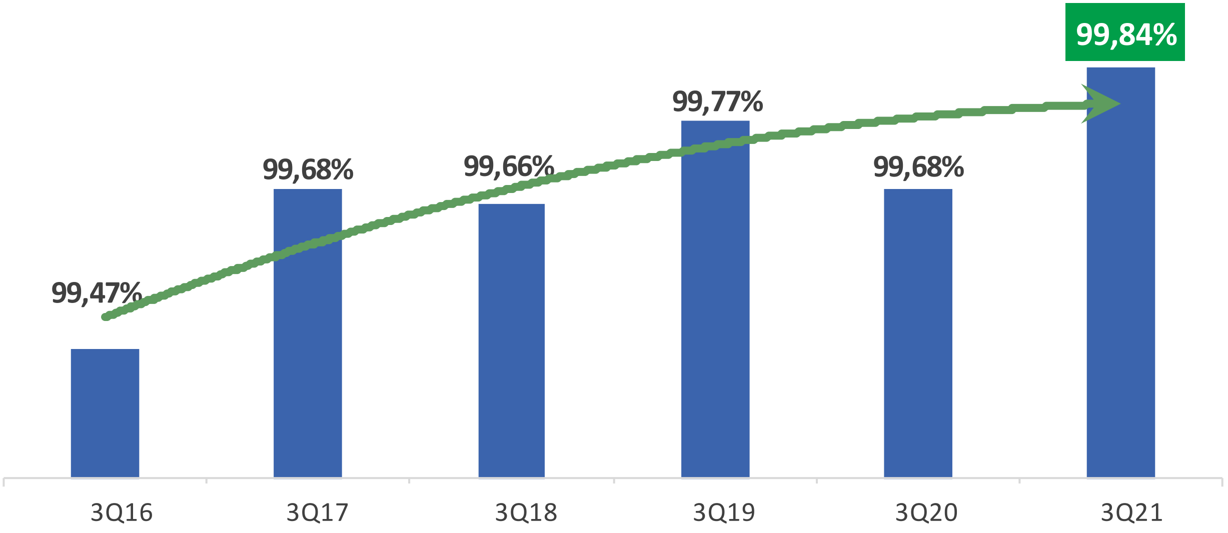
74,087 km

total of Eletrobras transmission lines of which 68.357 km ≥ 230 kV

Operational Availability of Transmission Lines



Operational Availability of Transformers



Shutdowns per 100 km of LT **1.46**

–7.0%

Shutdowns every 100 km of LT compared to 4Q20

Systemic Robustness **96.61%**

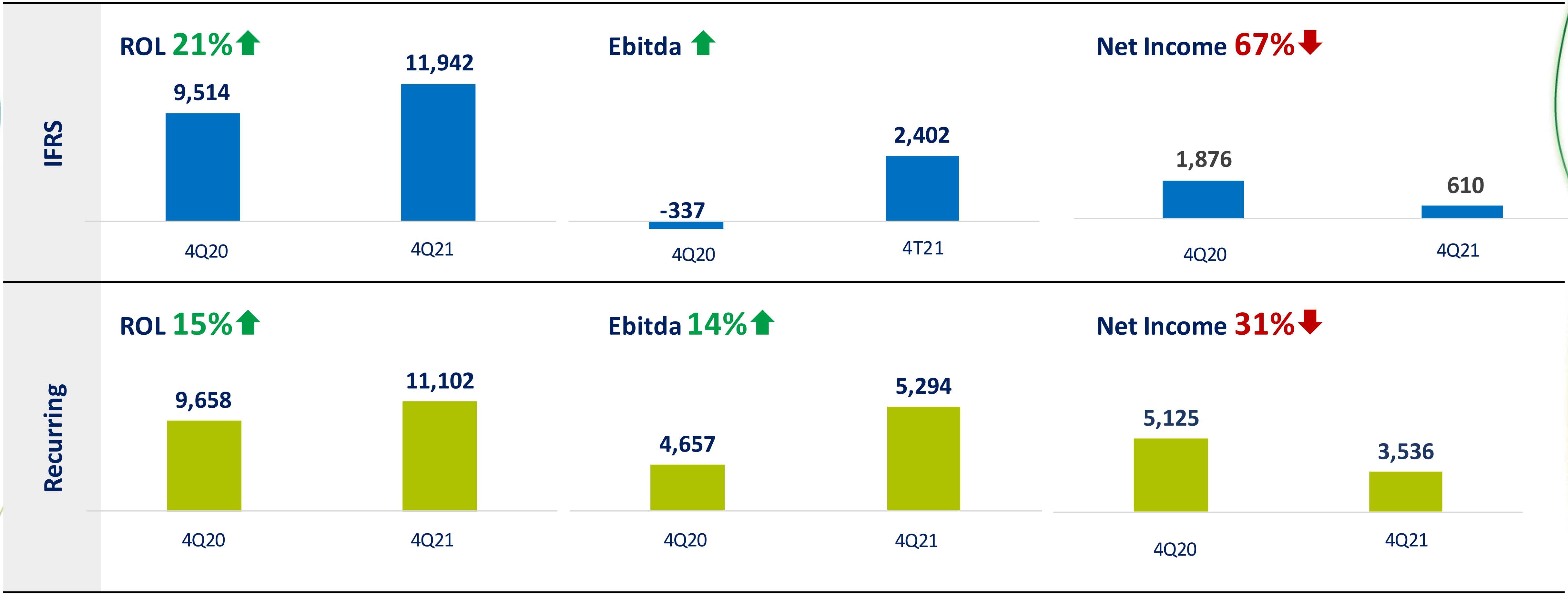
–15.7% level of load shedding

–10.8% in total disturbances compared to 4Q20

Eletrobras

Financial Highlights (R$ million)

Eletrobras



4Q21 Highlights

Eletrobras

Positives

AIC

To be paid by the privatized DisCos Amazonas D and Boa Vista, in the total amount of **+R$ 439 million**

RoI

21% growth, new bilateral contracts and imported energy for resale from Uruguay

PCLD CEA Reversal

+R$ 276 million

PMSO

Decreased by **- 9%**

Net Debt

of R$ **21,641 million and** LTM recurrent EBITDA of **R$20.9 billion**, Net debt/ LTM recurrent EBITDA of **1.0x**

Negatives

Santo Antônio Energia

– R$ 1.4 billion

Of which **R$ 706 million** is provision for unsecured liabilities and **R$ 697 million** due to equivalent loss in equity.

Compulsory Loan

– R$ 1.1 billion

Of which R$803 million in operating provision and **R$286 million** in the Selic rate.

PCLD Amazonas D

-1 billion

Of which R**$ 620 million** for the holding and **- R$ 425 million** for Eletronorte.

Contingencies*

– R$ 778 million,

Of which - R$ 349 million in labor provisions at CGTEletrosul.

EESG Highlights

Eletrobras

Acknowledgments

Sustainability Award
Bronze Class 2022
S&P Global

For the 2nd consecutive year, it remained on the **Standard & Poor's/DJSI** list of the most sustainable companies in the world

CDP DISCLOSURE INSIGHT ACTION
A LIST 2021

Maximum concept in **Water Security**
Concept B in **Climate Change**

merco EMPRESAS E LÍDERES
Uma das 100 empresas com melhor Reputação Corporativa
2021 BRASIL
ELETROBRAS

1st place in the electricity sector
84th place overall
CEO Limp: **90th** best leader

IG Sest
NÍVEL 1
5º CICLO

For the 5th consecutive year, obtained the level of excellence in the **Sest Governance Indicator**

EMPRESA PRÓ ÉTICA 2020-2021

Initiative of **Controladoria Geral da União - CGU**

Bloomberg Gender-Equality Index 2022

Obtained for the 2nd consecutive year, for all Eletrobras companies

EESG highlights

Corporate Results

SUSTAINABLE MANAGEMENT OF SUPPLIERS

Due diligence ESG (environmental and human rights) implemented and disclosed on the Supplier Space Portal, complementing the integrity due diligence, performed before hiring

SUSTAINABILITY TRACK

Corporate distance education initiative aligned with the **Eletrobras Sustainability Framework.**

EESG JOURNEY - SUSTAINABLE POLYHEDRO

Expansion of the
EESG Journey
with connection to six more reporting structures:
GRI, ASB, TCFD, Report Integrated, Global Compact And Agenda 2030/SDGs

Link

WEB SERIES AND HOT SITE ON ENVIRONMENTAL POLICY

5 institutional videos

Link

4Q21 Financial
Performance

4Q21 **Income Statement** (R$ million)

	IFRS			Recurrent		
	4Q20	4Q21	Var. %	4Q20	4Q21	Var. %
Gross Revenue	**11,142**	**13,377**	**20%**	**11,286**	**12,988**	**15%**
(–) Revenue deductions	-1,628	-1,885	16%	-1,628	-1,885	16%
ROL	**9,514**	**11,492**	**21%**	**9,658**	**11,102**	**15%**
(–) PMSO	-3,333	-3,022	-9%	-2,595	-2,693	4%
(–) Operating costs and expenses	-2,938	-3,143	7%	-2,929	-3,504	20%
(-) Operating provisions	-4,366	-3,524	-19%	-272	-470	73%
(+) Shareholdings	795	161	-80%	795	858	8%
(+) Other Income and Expenses	-9	439	-	0	0	-
Ebitda	**-337**	**2,402**	**-813%**	**4,657**	**5,294**	**14%**
Depreciation and amortization	-463	-673	45%	-463	-673	45%
Financial Result	**425**	**-935**	**-320%**	**408**	**-744**	**-282%**
Inc, Tax and Soc, Contribution	2,252	-185	-108%	524	-341	-165%
Net Income	**1,876**	**610**	**-67%**	**5,125**	**3,536**	**-31%**

Recurrent Gross Revenue 4Q21			**+ 1,702**
Generation +20%	**+ 1,252**	**Transmission +7%**	**+334**
Short-term (PLD and imports)	+1,006	Contratual revenue - Transmission	+ 583
Supply (Volume and price of Bilateral Contrats)	+ 31	Construction	+ 108
Supply (+ Furnas ACL volume)	594	**O&M**	-357

Recurrent PMSO 4Q21	**+ 98**
Personnel **+2% :** ACT of 2.4%;	-28
Material: CGT Eletrosul (+ cal consumption) and Eletronorte (+ maintenance)	+45
Services **+9%**: + health expenditure; Angra I and II stops	+ 48
Others -**+10%**: lower actuarial loss in Furnas	+46
Non-recurring: Furnas (4Q20 court settlements – R$630 million), write-off of fuel elements (R$252 million), dismissal (R$35 million), Indemnities and labor claims (R$81 million), CCC loss (R$58 million) , among others.	+ 329

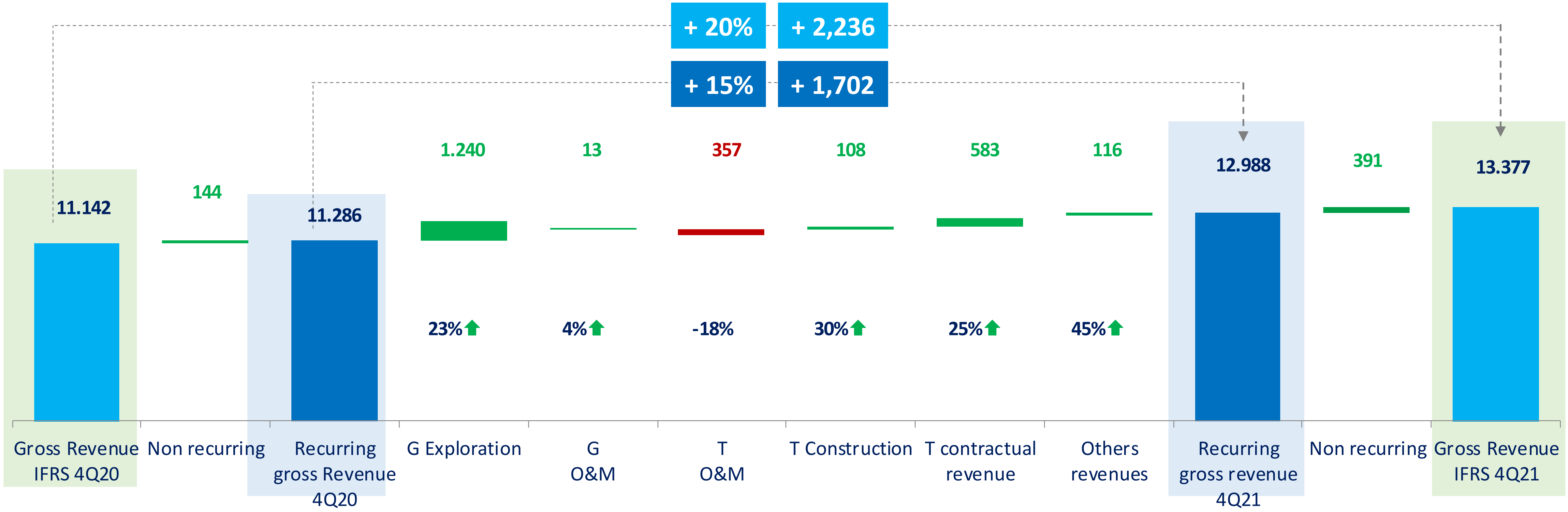
Recurring Operating Costs and Expenses 4Q21	**+575**
Energy purchased for resale: Holding +R$ 684 million of energy imports Uruguay, Furnas: price readjustments by IGPM, + MCP exposure volume.	+518
Network Usage Charges: IPCA	+18
Fuel: Furnas (+R$ 267 million) higher dispatch Sta Cruz	-60
Construction : transmission	+471

Non-recurring: Eletronorte: -R$ 515 million retroactive pis/limits and +R$111 million reclassification of tax credits

Recurring Financial Result 4Q21	**-1,152**
Exchange variation	-134
Debt Charges	-844
Derivative effects	-220

Non-recurrent
Monetary restatement of Compulsory Loans -R$ 286 million, Income from loan from privatized distributors + R$ 121 million

Gross Revenue 4Q21 (R$ million)



Recurring Generation	**+1,252**
Supply: increase in sales and prices Furnas +R$ 305 million Eletronuclear: +R$ 252 million CGT Eletrosul: +R$ 192 million Eletronorte: +R$119 million	+ 592
CCEE: Holding: +R$ 964 million: import energy Uruguay	+1,006
Supply: Eletronorte +R$192 million	+ 245
Itaipu Transfer	-157

Transmission	**+ 334**
Renewed O&M: Chesf +R$ 222 million, tariff review and annual adjustment of CC/061; **O&M bids**: Eletronorte +R$ 52 million, readjustment cycle 21/22	-358
Construction: CGT Eletrosul +R$ 64 million and Furnas +R$ 50 million	+108
Contract Revenue: IPCA variation from 2.39% to 3.36%	+583

Others	**+116**
Holding: +R$86 million (R$40 million thermal investment in Manaus); Furnas +R$37 million, actuarial gain and transfer of payroll to another bank	

Non-recurring	**391**
Eletronuclear: BRL 277 million, retroactive negative deviation	-277
Construction Generation	-44
Itaipu tariff readjustment	-69

Eletrobras – Sectoral and Economic Context

		Volume (MWmed)			Average price (R$/MWh)		Revenue (R$ million)		
		4Q20	4Q21	Var.	4Q20	4Q21	4Q20	4Q21	Var.
ACR Marketplace regulated	**Regulated contract**	2,282	2,004	-12.15%	130.44	313.95	1,519	2,011	33%
	Hydro quotas	7,451	7,464	0.18%	64.80	65.78	1,071	1,084	1%
	Nuclear quota	1,573	1,573	0.00%	276.21	227.31	881	1,133	29%
ACL Free market	**Bilateral contract**	6,182	5,131	-17.01%	143.14	196.21	2,037	2,299	13%
	CCEE	N/A	N/A	N/A	N/A	N/A	453	1,459	123%
Others*		N/A	N/A	N/A	N/A	N/A	43	-64	-250%
Total							**6,205**	**7,938**	**28%**

***Construction Revenue, Itaipu Financial Effect and Elimination (accounting adjustments - internal sales).**
The average price of the ACR does not consider Amazonas-GT due to its particularities (PIEs and contract by availability); if considered, it would be R$ 456.96 / MWh in 4Q21. The UTE Candiota III, which had reimbursements in 4Q20, is included in the calculation. If disregarded in the calculation, the average price would be 199 BRL/MWh in 4Q20.

		4Q20	4Q21
Market	GSF (%)	68.47	66.35
	PLD SE (R$/MWh)	351.32	135.22
	PLD S (R$/MWh)	351.32	135.22
	PLD NE (R$/MWh)	229.75	135.01
	PLD N (R$/MWh)	351.32	135.10

Regulated contract	**+ R$ 492 milhões**
Furnas: largest dispatch from the Santa Cruz TPP	**+ R$ 224 milhões**
CGT Eletrosul: higher variable revenue from UTPP Candiota III	**+ R$ 187 milhões**

Hydro quotas	**+ R$ 13 million**
Eletronorte, Furnas, Chesf: RAG readjustment, CFURH and PIS/COFINS variationsFurnas: temporary incorporation of the Jaguari HPP	

Nuclear quota	**+R$ 252 million**
Reversal of the reimbursement of negative.	

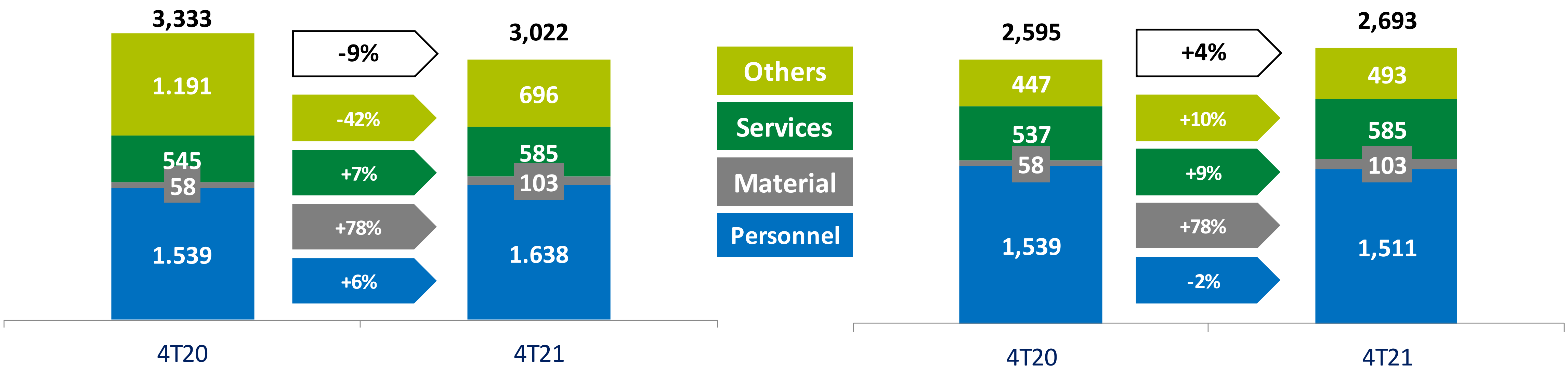
Bilateral contract	**+ R$ 262 million**
Reduction of revenue from consolidated SPEs that were sold	**– R$ 75 million**
Eletronorte: - increase in industrial consumer revenue linked to aluminum prices, the dollar and the IGP-M	**+ R$ 179 million**
- energy sold (-2,862 MWmed) at higher prices, from R$106/MWh to R$198/MWh	**+ R$ 46 million**
Furnas: increase in quantity and price of energy negotiated +R$ 59 million, price readjustment in Itumbiara contracts, +4.5% and variations in the incidence of ICMS	**+ R$ 80 million**
Includes the projects affected by Law 13,182 of 2015 (UHEs Sobradinho and Itumbiara)	

CCEE	**+ R$ 1,006 million**
Increase in Imports from Uruguay, of +R$ 964 million.	

PMSO 4Q21 (R$ million)

Eletrobras

IFRS | Recurring



Recurring Personnel - highlights	**-28**
ACT 2020/2021 + 2.4% as of Dec/20, with impact on benefits and annual fees.	
Holding: reduction of actuarial liability for migration from DB to CD plan (-R$91 million)	-104

Recurrent Material	**+ 45**
Eletronorte: operational maintenance	+ 22
CGT Eletrosul: higher consumption of lime and inputs due to the Candiota III stoppage in 2020.	+21

Recurring Services - highlights	**+ 48**
Furnas: higher spending on health by damming in 4Q20 due to the pandemic and higher spending on infrastructure, consulting and advertising	+40
Eletronuclear: costs of Angra 1 and 2 stops	+20

Others Recurrent	**-46**
Furnas: lower actuarial loss	-50

Non-recurring items: write-off of fuel elements R$ 252 million and other items in the 4Q21 Release

Operating Provision 4Q21 (R$ million)

Eletrobras

Negative values represent the **constitution of provision**	4Q20	4Q21	Var. %
Contingencies	-996	-778	-76%
Compulsory Loan	-2,251	-803	-64%
Unsecured liabilities in subsidiaries	-	-706	100%
(Provision)/Reversal for investment losses	-568	91	116%
PCLD	-111	-966	769%
Provision for the reduction of Fuel inventories	-	-126	100%
Provision for judicial deposits	-	-234	100%
Impairment of long-term assets	-505	21	-104%
Onerous Contracts	83	39	-53%
Others	-18	-62	244%
Total	**-4,366**	**-3,524**	**-20%**

Contingencies **-778**

Furnas: -R$ 346 million tax contingencies (risk reclassification)

CGT Eletrosul: -R$ 349 million labor (Risk reclassification and update

Eletronorte: -R$ 81 million (labor proceedings)

Compulsory Loan **-803**

Unfavorable court decisions and reanalysis of reports based on new parameters (3Q21)

Uncovered Liabilities -706

Furnas: provision for unsecured liabilities Santo Antônio

PCLD **-965**

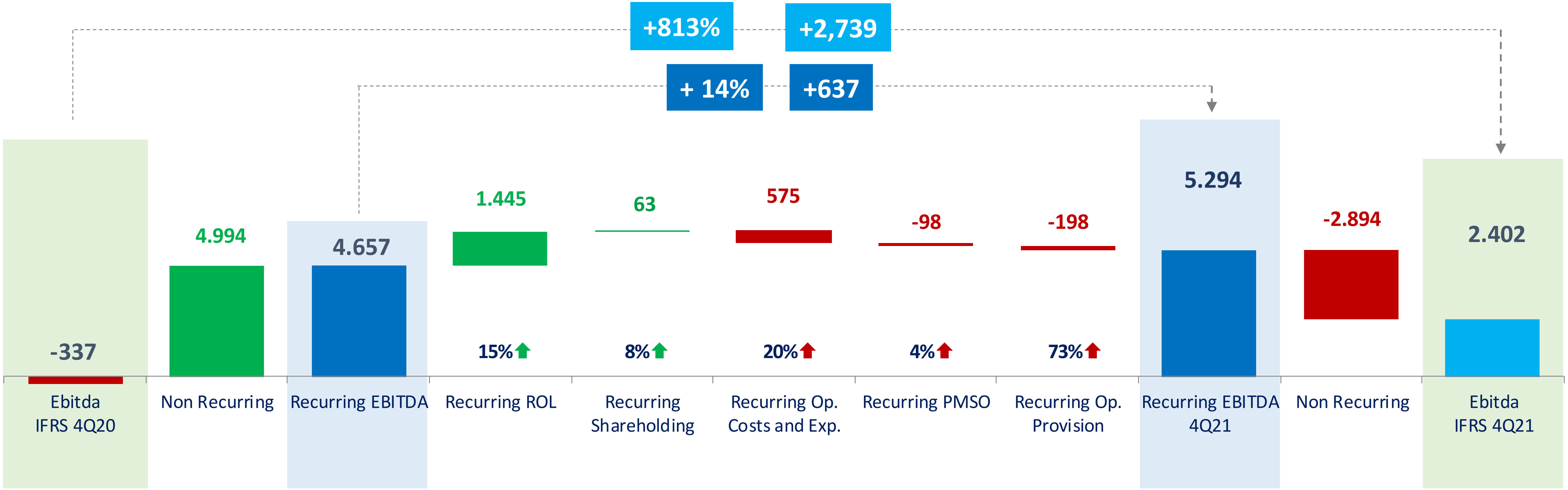
Eletronorte: -R$416 million credit against Amazonas Energia (energy debt)

Holding: -R$ 620 million credit against Amazonas Energia (financial debt)

Provision for fuel stock reduction **-126**

CGT Eletrosul: decommissioning and prospect of non-recovery of fuel stock

Ebitda 4Q21 (R$ million)



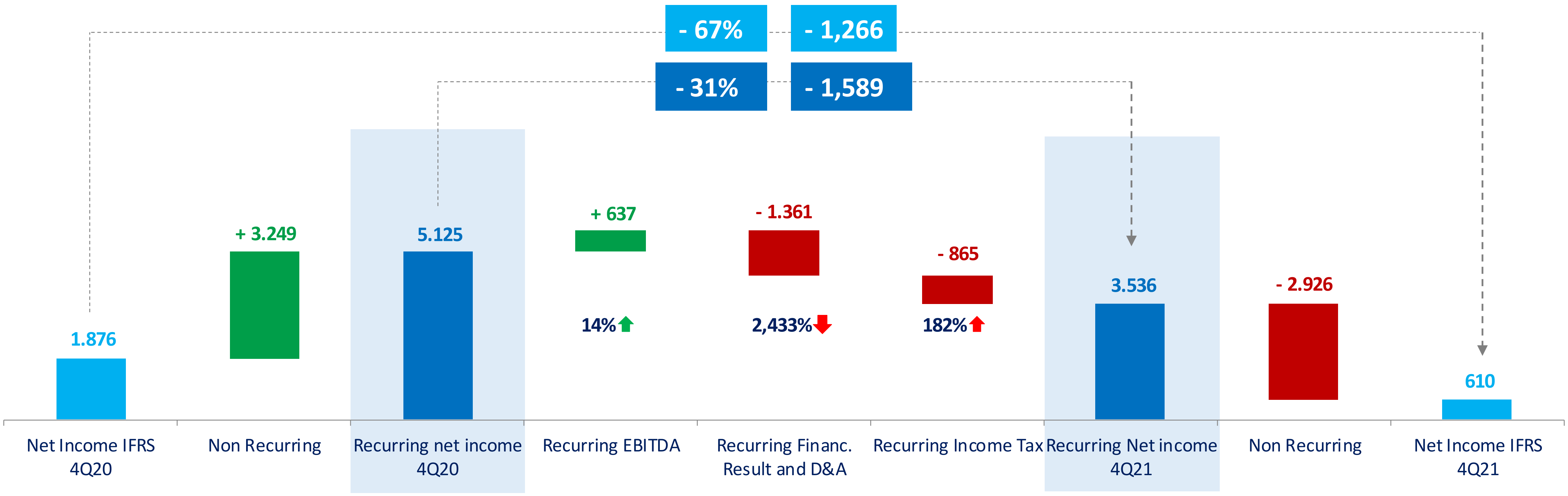
Non-recurring items 4Q20	– 4,994
Contingencies	– 3,128
Investment Losses	– 568
Impairment	– 505
Others	– 793

Recurring operating provisions	-198
Warranties	2
Recurrent PCLD(Eletronorte: BRL 423 million (Amazona Energia and CEA – reversal of BRL 157 million)	-394
Improvement GAG provision	21
Others	-96

Non-recurring items 4Q21	– 2,894
Compulsory Loan	-803
Contingências	-778
Unsecured Liabilities (SAESA)	-706
Impairment	+18
PCLD (Holding: Amazonas Energia – financial)	-621
SAESA Shareholdings	-697
Others	-61

Rol, Custos e Despesas, PMSO e provisões vide slides: 12, 15 e 16

Net Income 4Q21 (R$ million)



Recurring Financial Result	
Exchange variation	-134
Increase in debt charges	-844
Monetary Variation	-220

Non-recurring items 4Q21	**-2,926**
Adjustments in Ebitda (*slide* 17)	– 2,894
Distributor loan revenue	+ 121
Compulsory Loan: monetary restatement	– 286

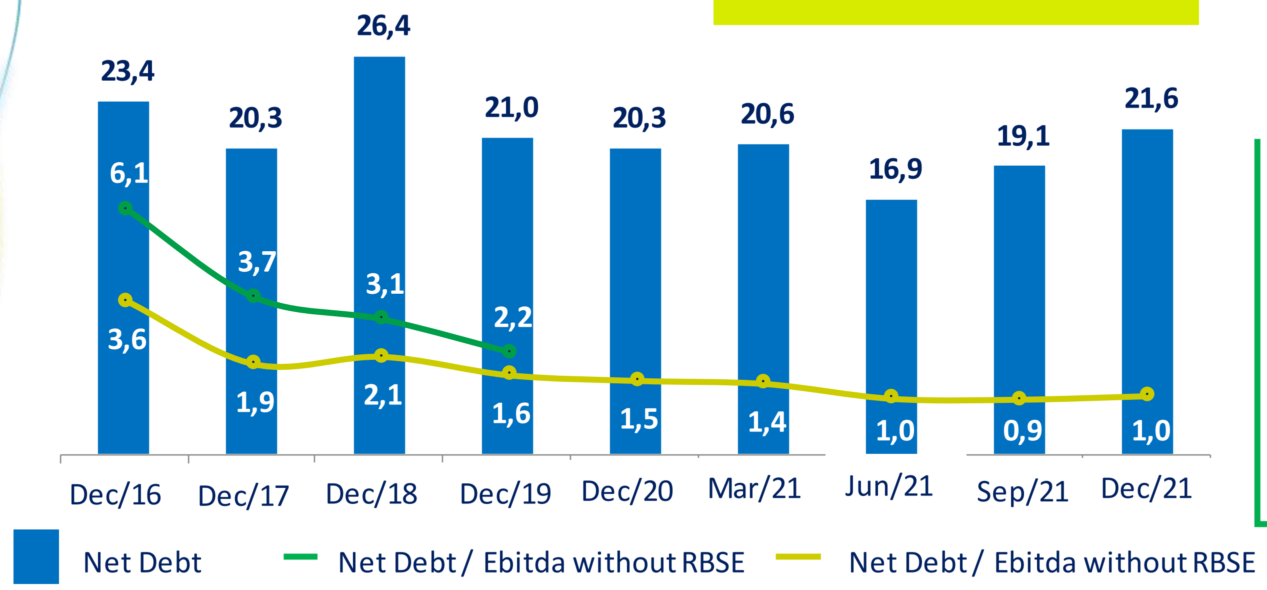
Financial Discipline (R$ billion)

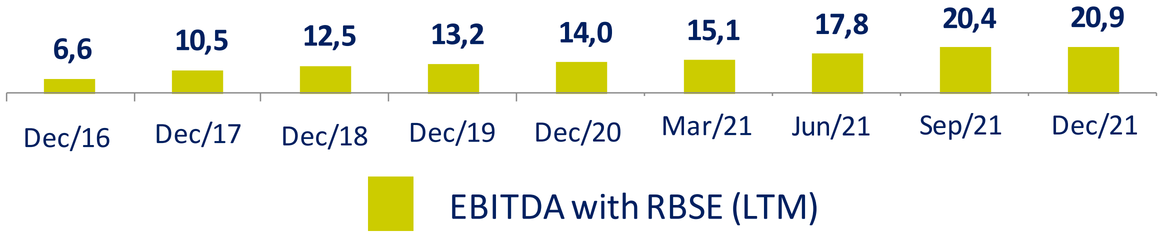
Eletrobras

Net Debt / Ebitda

Goal

$$\frac{\text{Net Debt}}{\text{Adjusted EBITDA}} < 2.5$$





December 2021	
(+) Short-term debt (current liabilities)	8,235
(+) Long-term debt	35,781
= Gross Debt	**44,016**
(–) Cash and cash equivalents + marketable securities)	15,833
(-) Financing Receivable	5,844
(-) Net balance of Itaipu Financial Assets	698
Net Debt	**21,641**

Total amortization in Itaipu in 2021 of BRL 3.5 billion

Disbursements after 4Q21

R$ 3,419 million
Bonds Payment Oct/21

R$ 1,418 million
Angra 3 contribution as of Dec/21

R$ 567 million
El Paso Process Agreement paid in 4Q21

Investment Realized (R$ million)

Eletrobras

Investment (Corporate + Partnerships)	Invested 2021	Budget PDNG 2021	%
Generation	**2,287**	**5,065**	**45%**
Ampliation - corporate	1,502	3,173	47%
Maintenance	674	1,138	59%
SPEs – aportes	59	294	20%
SPEs – aquisições	52	459	11%
Transmission	**1,863**	**2,497**	**75%**
Ampliation - corporate	107	124	86%
Reinforcement and improvements	1,057	1,379	77%
Maintenance	191	315	61%
SPEs – contributions	206	47	439%
SPEs – acquisitions	302	631	48%
Others	528	684	77%
Total	**4,678**	**8,245**	**57%**

Enlargement

Angra III: Realized R$1,240, with R$2,813 planned; Angra I and II Maintenance: R$ 281 realized, R$ 537 being planned;

Reinforcements and Improvements

Chesf: Realized R$610, with R$703 planned;

Eletronorte: realized R$ R$ 141, being planned R$ 238;

Enlargement

Chesf: Realized R$ 106, being planned R$ 89;

Maintenance

Furnas: Realized BRL 127, being planned BRL 230.

SPES

CGT Eletrosul – contribution for the settlement of TSLE debentures, of R$ 196.

Thank you!

RI Eletrobras
ombudsman-ri@eletrobras.com