

# Results Presentation 3Q21



# Disclaimer

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.

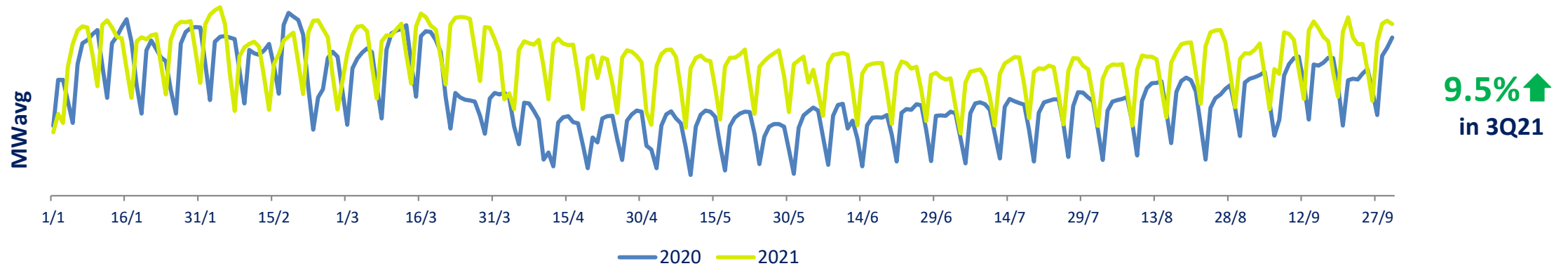


# Financial and Operating Highlights

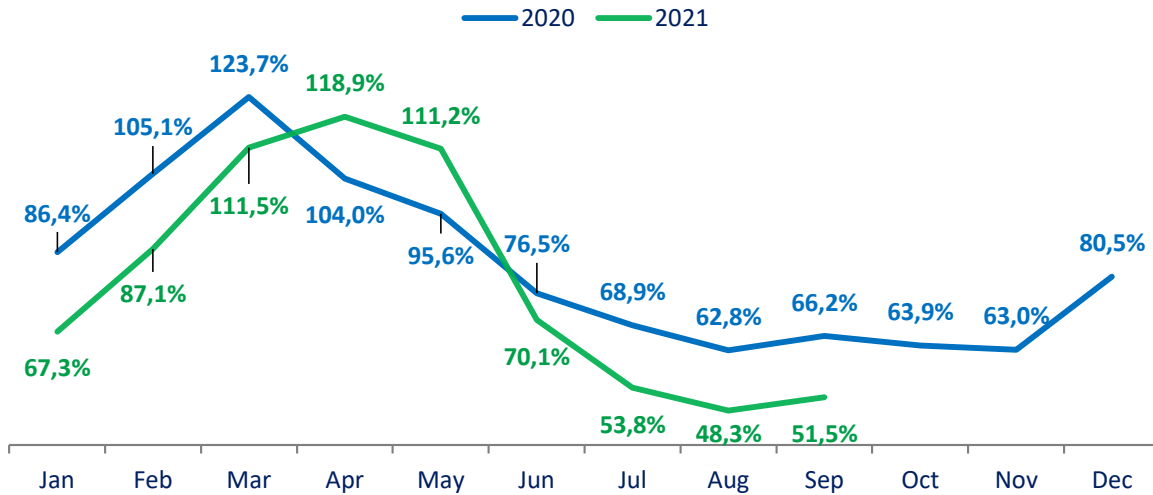
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# Sectoral and economic context

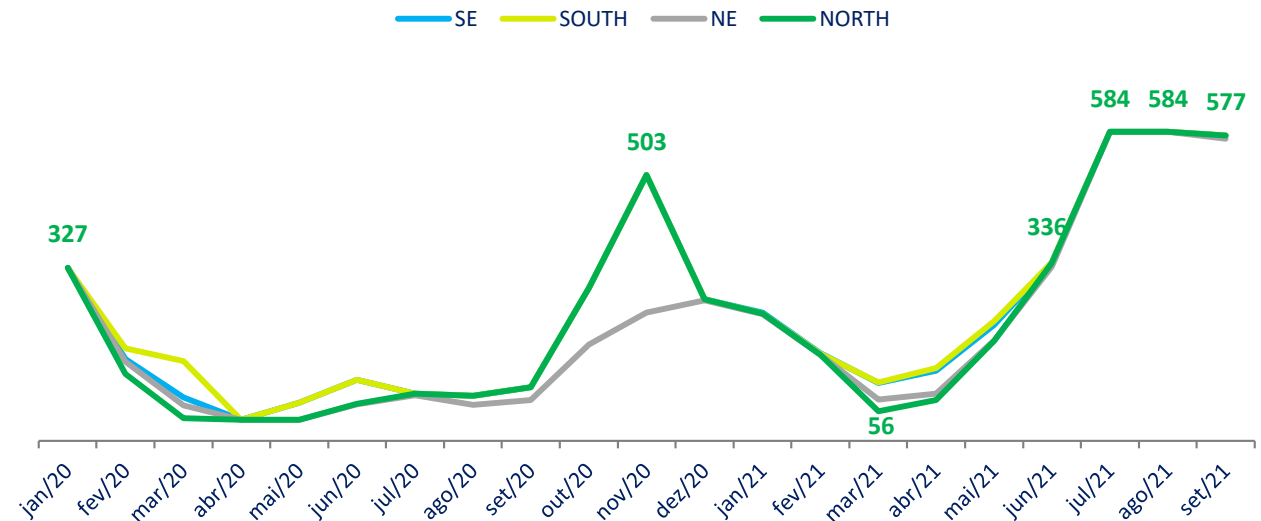
Daily Energy charge in Brazil 2021 x 2020



GSF (%)



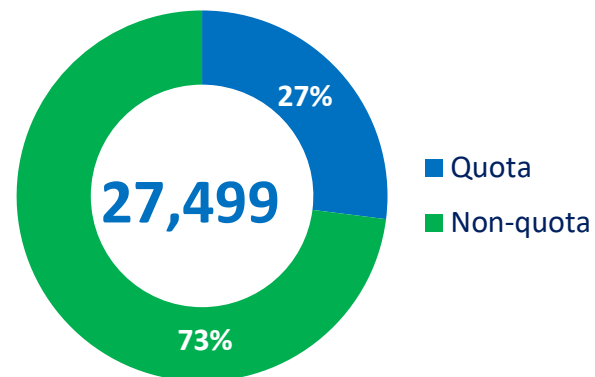
PLD (Differences Settlement Price) (R\$ / MWh)



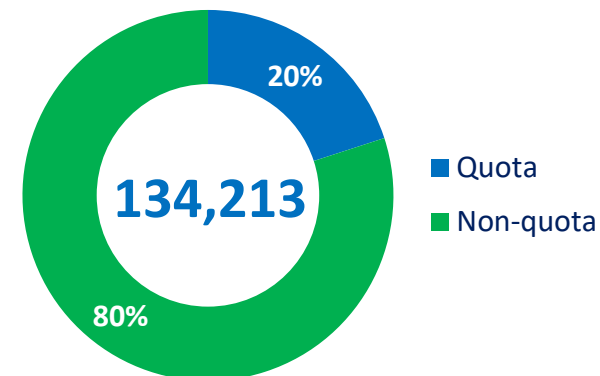
# Generation Performance in 2021

Installed capacity  
**50,512 MW**  
Cerca de  
**28%** of Brazil

Physical guarantee (MWavg)



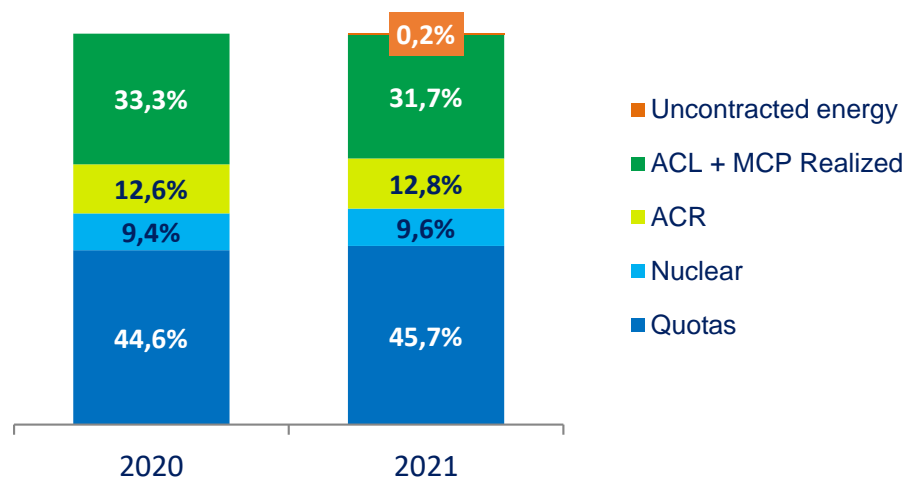
Generated energy (GWh)



Around  
**30%** of Brazil

It considers corporate enterprises, SPEs and half of Itaipu

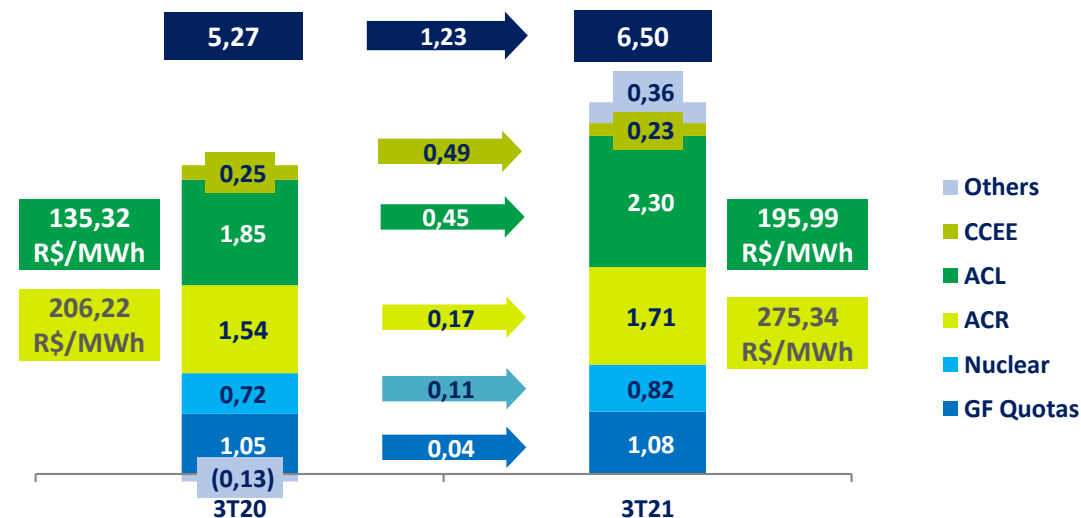
## Energetic Balance 2020-2021



Base: September/2021

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

## Generation Revenue (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

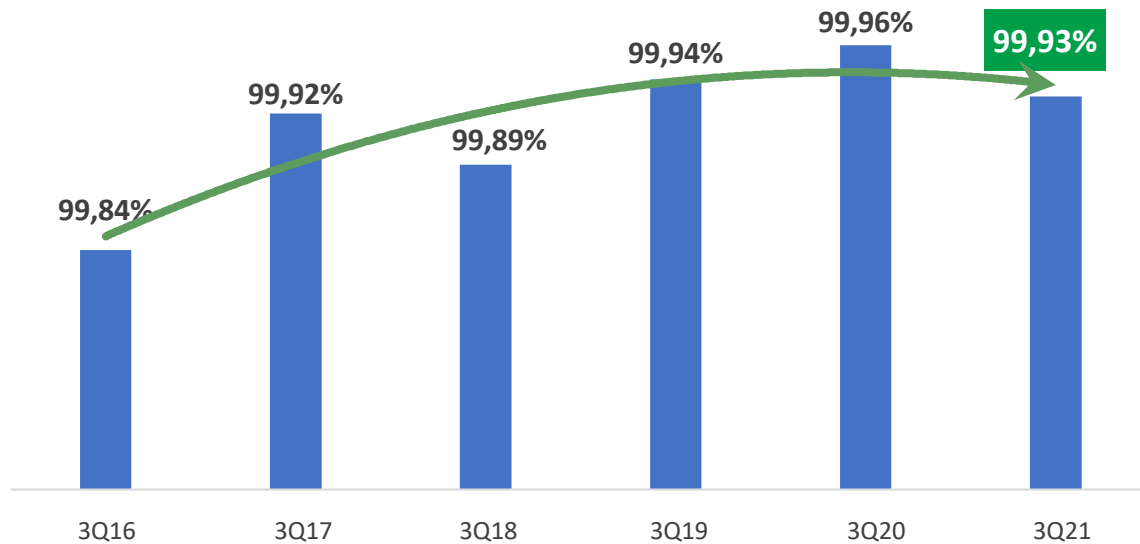
**40.7%**  
Of Brazil

**73,655 km**

total of Eletrobras transmission lines  
being 67,791 km  $\geq$  230 kV

Performance improvement verified since 2016\*

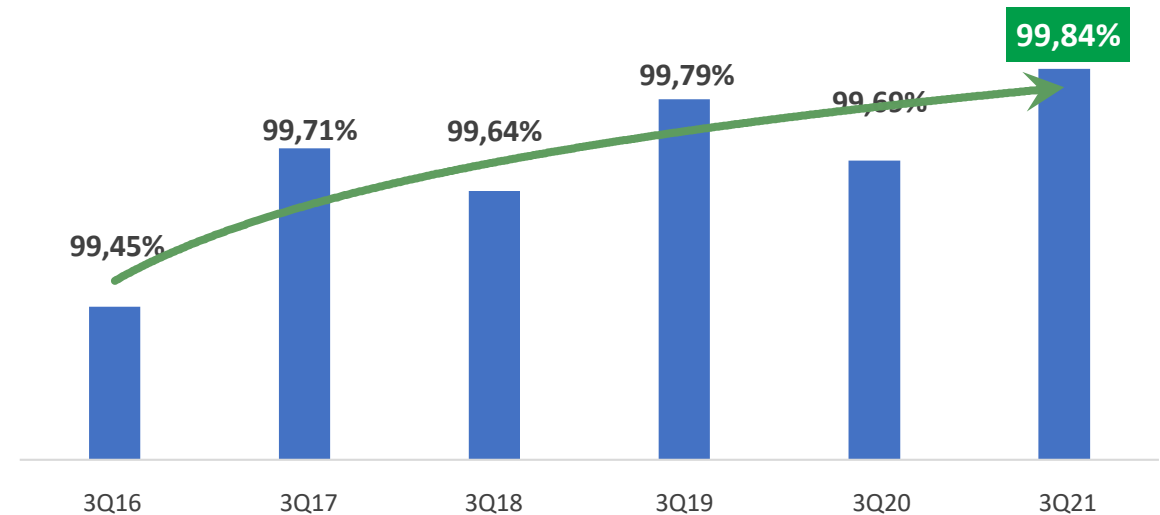
## Operational Availability of Transmission Lines



## Systemic Robustness

**96.20%** Robustness for any level of load shedding  
Reduction of 1.7% in total disturbances compared to 3Q20

## Operational Availability of Transformers



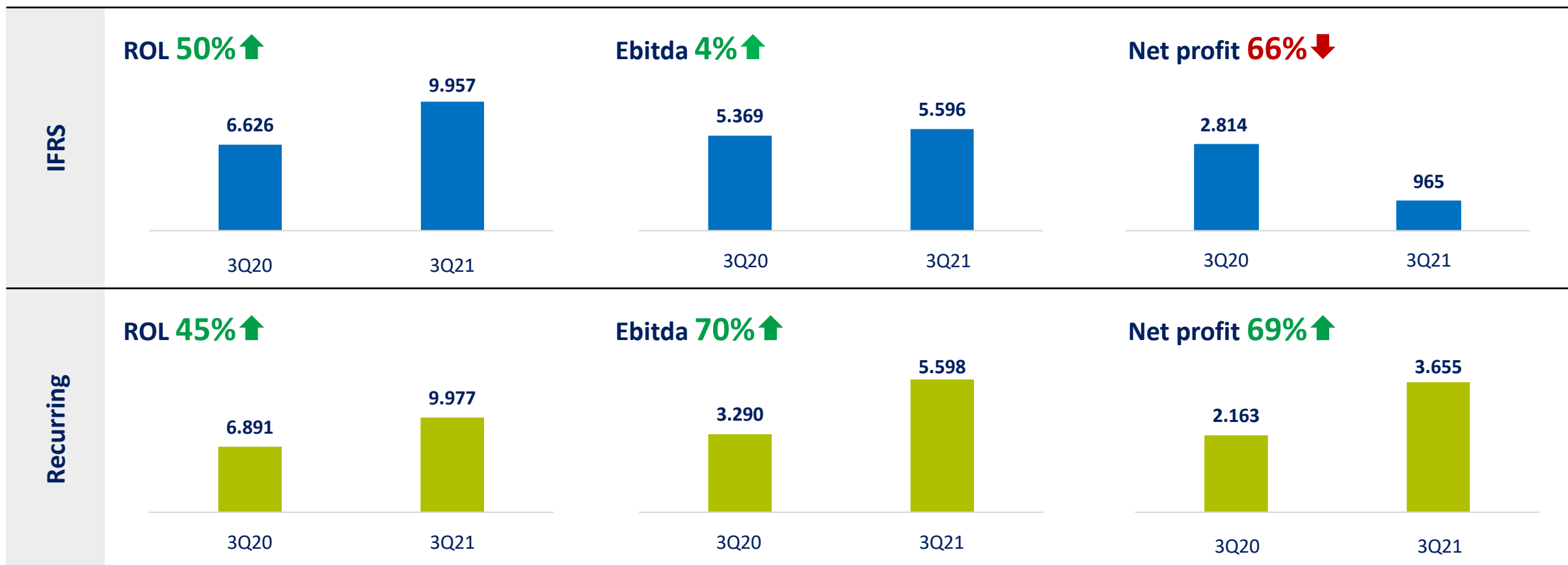
## Variable Portion

**1.96%**

Maintenance of the percentage of VP below 2.0% in the 3Q

\* - For the 3rd quarter comparison.

# Financial Highlights (R\$ million)



**0.9x**  
Net Debt/ Ebitda LTM

**R\$ 9,059 billion**

**Compulsory Loan** contingency provision, highlighting the **BRL 8.9 billion** revisiting the loss forecast



## Positives

### RBSE

Accountability of **RBSE** reprofiling of the financial component with an impact of BRL **4.8 billion**

### GSF

Approval by Aneel of the the grant's extension of plant under Power Reallocation Mechanism (MRE) with a financial impact of **R\$ 4.2 billion**

### AIC

To be paid by the privatized distribution companies in the total amount of **R\$150 million**

### Impairment Reversion

In the net amount of **R\$ 454 million** Highlighting the reversal of **R\$ 265 million** of TPP Santa Cruz and HPP Batalha

### Economic and energetic "inefficiency" credits

Increase of 14 months (May/2016 to Jun/2017), due to Law No. 14.182/2021, in the amount of **R\$ 622 million**

## Negatives

### Compulsory Loan

– **R\$ 9.1 billion** operational provision, based on the development of jurisprudence and recent approvals of unfavorable reports in 2021

### Chesf contingency

Risk reclassification and adjustment of legal proceedings, in the amount of – **R\$ 657 million** with emphasis on the K Factor of –**R\$ 233 million**

### CCC Provisions

Current credits assumed by the Parent Company in the privatization process of distribution companies, in the amount of – **R\$ 340 million**

### Financial Result

– **R\$ 432 million** Replacement of Selic rate by IPCA rate on "inefficiency" credits - CNPE Resolution 15/21



## Privatization

### Decree 10,791/21

Creation of a **new state-owned company**:

Empresa Brasileira de Participações em Energia Nuclear e Binacional S.A. – ENBpar

### CPPI Resolution 203/21

Establishes the model for Eletrobras' privatization

### CNPE Resolution 15/21

Economic benefit of **R\$ 62.5 billion in value added** by the new electricity generation concession contracts for 22 Eletrobras hydroelectric plants affected by Law No. 14,182/2021

### CNPE Resolution 23/21

Establishes guidelines for setting the price of energy for the Angra 3 Nuclear Power Plant



# Capitalization milestones

## Steps completed

## Next steps



## ENERGY COMPACT

Energy pact  
**Decarbonization of the electrical matrix of isolated systems in the Amazon, replacing diesel generation with clean, renewable and accessible energy**, registered with the **UN** in partnership with the **BNDES**



Launch of the **Global Alliance for Sustainable Energy**, which has Eletrobras as one of the founding members

## Green Bonds

First issue of Eletrobras companies, regarding transmission projects by **CGT Eletrosul**, in the amount of **R\$ 185 million**



Creation of **Sustainability Channel**, specialized in responding requests for information related to ESG (environmental, social and governance) aspects



Selection of six initiatives in the organizational development program that encourages intrapreneurship and open innovation



Pacto Global  
Rede Brasil

Eletrobras' commitment to the **2030 Agenda** and the **SDGs** recognized as a case-study by the **Pacto Global Rede Brasil**



Eletrobras among **the 14 most transparent Brazilian companies in disclosing information on sustainability**, according to a study by the **Transparency Observatory**, an initiative of the GRI council in Brazil



**3 public notices that selected 52 cultural, sporting and socio-environmental projects** to be supported in all regions of Brazil in 2022, with an investment of **R\$ 17 million**





# 3Q21 Financial Performance



# 3Q21 Income Statement (R\$ million)



	IFRS			Recurrent		
	3Q20	3Q21	Var. %	3Q20	3Q21	Var. %
<b>Gross Revenue</b>	<b>8,208</b>	<b>11,663</b>	<b>42%</b>	<b>8,473</b>	<b>11,684</b>	<b>38%</b>
(-) Revenue deductions	-1,582	-1,707	8%	-1,582	-1,707	8%
<b>ROL</b>	<b>6,626</b>	<b>9,957</b>	<b>50%</b>	<b>6,891</b>	<b>9,977</b>	<b>45%</b>
(-) PMSO	-2,022	-2,099	4%	-1,948	-1,954	0%
(-) Operating costs and expenses	-1,831	517	-128%	-1,827	-3,357	84%
(-) Operating provisions	-2,002	-9,330	366%	-195	12	-106%
(+) Shareholdings	369	920	149%	369	920	149%
(+) Other Income and Expenses	0	772		0	0	
(+) Regulatory remeasurements - Transmission Contracts	4,228	4,859	15%	0	0	
<b>Ebitda</b>	<b>5,369</b>	<b>5,596</b>	<b>4%</b>	<b>3,290</b>	<b>5,598</b>	<b>70%</b>
Depreciation and amortization	-468	-503	8%	-468	-464	-1%
<b>Financial Result</b>	<b>-622</b>	<b>-1,059</b>	<b>-70%</b>	<b>-543</b>	<b>-898</b>	<b>-65%</b>
Inc. Tax and Soc. Contribution	-1,465	-3,069	109%	-117	-582	397%
<b>Net Income</b>	<b>2,814</b>	<b>965</b>	<b>-66%</b>	<b>2,163</b>	<b>3,655</b>	<b>69%</b>

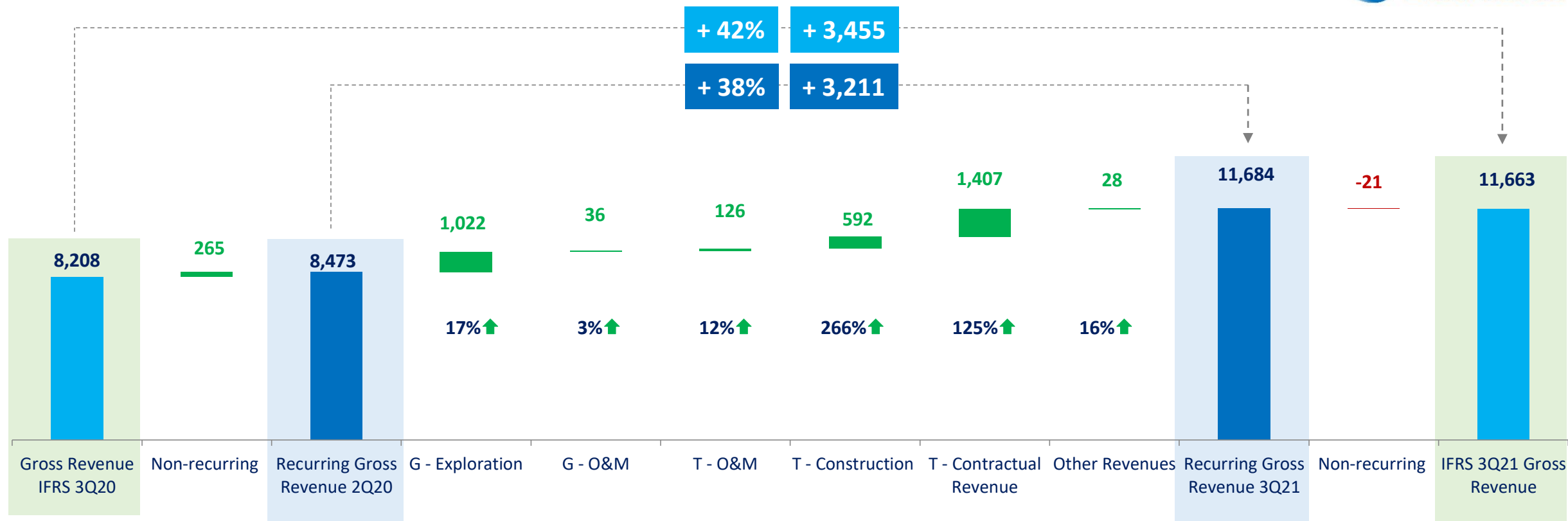
<b>Recurrent Gross Revenue 3Q21</b>		<b>+ 3,211</b>
<b>Generation +19%</b>	<b>+ 1,058</b>	<b>Transmission + 52%</b>
Short-term (PLD and imports)	<b>+276</b>	Contratual revenue - Transmission
Supply (Volume and price of Bilateral Contrats)	<b>+ 245</b>	Construction
Readjustment of quota plants	<b>+ 600</b>	

<b>Recurrent PMSO Recorrente 3Q21</b>		<b>+ 6</b>
Personnel +6.9% : 2.4% ACT from Dec/20; provision for ACT 2021 of 6.76%; R\$31 million IGPM actuarial liabilities Chesf;		<b>+61</b>
Material and services +14%: Eletronuclear – Angra I and II stops		<b>+67</b>
Other -30%: R\$ 44 million: lower reversal of expenses at CGT Eletrosul; Eletronorte: R\$17 million PIS/COFINS.		<b>-121</b>
Non-recurring: retroactive effect of ACT (R\$34 million), indemnities and labor claims (R\$21 million); Amapá Generator Rent (R\$ 6 million), SPE FOTE capital loss (R\$6 million), Court costs and fees (R\$3 million).		<b>+ 70</b>

<b>Recurring Operating Costs and Expenses 3Q21</b>		<b>+1,530</b>
Energy purchased for resale: R\$ 262 million in energy imports from Uruguay, increase in PLD, readjustment by IGPM and higher GSF		<b>+964</b>
Network Usage Charges: Tust Readjustment		<b>+347</b>
Fuel: Furnas (+R\$ 139 million) price increase and higher dispatch at the Santa Cruz plant		<b>+ 99</b>
Construction: transmission		<b>+119</b>
Non-recurring: reducing effect of R\$4.2 billion from the GSF agreement on energy purchased for resale and Chesf (R\$378 million) payment of the GSF agreement		
<b>Recurring Financial Result 3Q21</b>		<b>-354</b>

Exchange variation	<b>-408</b>	<b>Non-recurrent</b>
Debt Charges	<b>-136</b>	Atualização monetária de Empréstimos Compulsórios, Receita de mútuo de distribuidoras privatizadas, Chesf: atualização de processos judiciais; - R\$ 432 million devido a substituição da Selic pelo IPCA sobre os créditos de “ineficiência”
Derivative effects	<b>+83</b>	

# Gross Revenue 3Q21 (R\$ million)



Recurring Generation		+1,058
Supply: Eletronorte (+R\$ 284 million), price increase; Furnas (+226 million), higher Sta Cruz dispatch +R\$ 118 million and an increase of 320 GWh of energy sold	+ 600	
CCEE: Uruguay energy import (+R\$ 296 million: 274.1 GWh, higher PLD, offset by a reduction in GSF.	+ 276	
Supply: Eletronorte (+R\$173 million), R\$162 million of which Albras, Chesf (+R\$30 million) +42 Mw industrial customers, Furnas (+R\$15 million) price adjustment UHE Itumbiara	+ 245	
Transfer Itaipu	+135	

Transmission		+ 2,125
Contract Revenue: tariff review including KE (recorded in 2Q20), asset base review and WACC, offset by asset amortization	+1,407	
Construction: re-estimates of the execution of ongoing projects and ANEEL authorizations for RAPs for completed projects	+592	
O&M revenue: effects of the RAP readjustment for the 2021/2022 cycle;	+126	

Others		+ 28
Eletronorte: Proinfa and Services	+30	
Non Recurring		21
Interruption of Angra I and II	34	
Generation Construction	-14	

# Generation Revenue

		Volume (MWmed)			Average price (R\$/MWh)		Revenue (R\$ million)		
		3Q20	3Q21	Var.	3Q20	3Q21	3Q20	3Q21	Var.
ACR Marketplace regulated	Regulated contract	2,212	2,214	0.08%	206.22	275.34	1,543	1,803	17%
	Hydro quotas	7,464	7,451	-0.18%	63.69	65.76	1,048	1,084	3%
	Nuclear quota	1,573	1,573	0.00%	276.22	227.31	715	822	15%
ACL Free market	Bilateral contract	5,889	5,152	-12.52%	135.32	195.99	1,847	2,299	24%
	CCEE	N/A	N/A	N/A	N/A	N/A	248	523	111%
Others*		N/A	N/A	N/A	N/A	N/A	-133	40	130%
Total							5,268	6,570	25%

\*Revenues from Construction, Financial Effect of Itaipu and Elimination (accounting adjustments - internal sales).

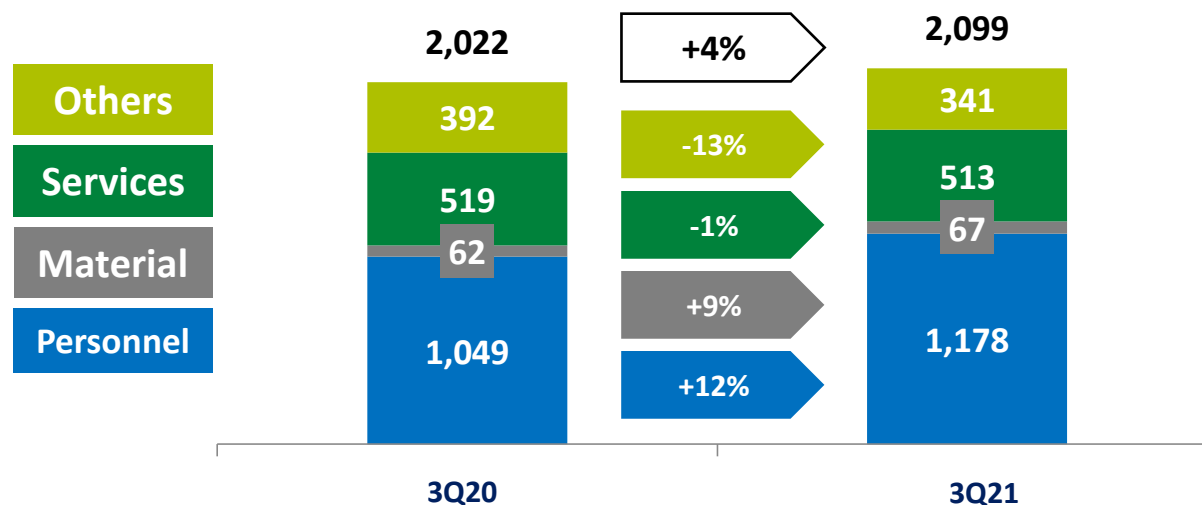
The average price of the ACR does not consider Amazonas-GT due to its particularities (PIEs and contract for availability); if considered, it would be BRL 380.13 / MWh in 3Q21

Regulated contract	+ R\$ 260 million
Eletronorte: end of the 18th LEE 2019-2020 contract, from R\$175/MWh to R\$167/MWh	- R\$ 23 million
Eletronorte: readjustment of PIEs (IGPM) prices for Amaz GT and others	+ R\$ 131 million
Furnas: largest dispatch from the Santa Cruz TPP	+ R\$ 118 million
CGT Eletrosul: higher compensation for unavailability, offset by lower compensation for inflexibility at TPP Candiota III	+ R\$ 19 million
Hydro quotas	+ R\$ 36 million
Eletronorte, Furnas, Chesf: RAG readjustment, CFURH and PIS/COFINS variationsFurnas: temporary incorporation of the Jaguari HPP	
Nuclear quota	+R\$ 107 million
Positive energy deviation in 3Q21 of R\$ 32 million added to the positive variation due to negative energy deviation of R\$ 216 million in 3Q20, offset by a reduction in Fixed Revenue UTNs due to fuel adjustment.	

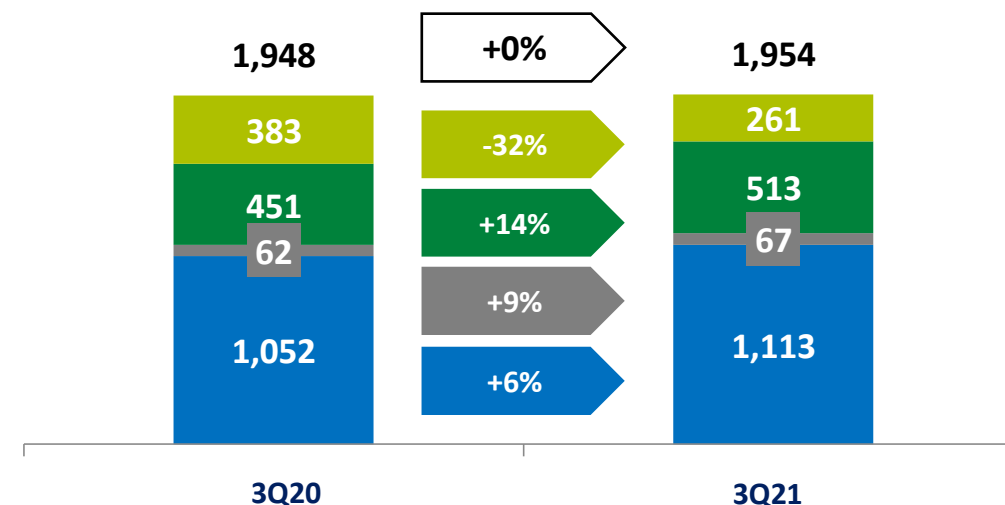
		3Q20	3Q21
Market	GSF (%)	65.91	51.16
	PLD SE (R\$/MWh)	91.58	581.76
	PLD S (R\$/MWh)	91.58	581.76
	PLD NE (R\$/MWh)	77.07	579.48
	PLD N (R\$/MWh)	91.50	581.76

Bilateral contract	+ R\$ 452 million
Reduction of revenue from consolidated SPEs that were sold	- R\$ 105 million
Eletronorte: energy sold (a reduction of 1,516 MW) at higher prices, from R\$107/MWh to R\$196/MWh	+ R\$ 176 million
Eletronorte: increase in industrial consumer revenue linked to the price of aluminum, the dollar and the IGP-M	+ R\$ 162 million
Furnas (+320GWh) and CGT Eletrosul (+19MWhmed): increase in the quantity traded, added to the increase in the price of energy traded	+ R\$ 147 million
Chesf: Increased consumption by industrial customers; new contracts; and recipe from Casa Nova A	+ R\$ 45 million
Includes projects affected by Law 13,182 of 2015 (UHEs Sobradinho and Itumbiara)	
CCEE	+ R\$ 276million
Increase in Imports from Uruguay, of +R\$ 296 million, increase in PLD, variations in settlements, seasonality effect, reduction in GSF.	

## IFRS



## Recurring



<b>Recurring Personnel</b>	<b>+ 61</b>
Provision ACT 2021/2022 + 6.76%, 1% annual	<b>+ 88</b>
ACT 2020/2021 + 2.4% from Dec/20, 1% annual	<b>+ 40</b>
Chesf: IGPM on actuarial liabilities of CD and BD plans	<b>+ 31</b>
Enuclear: overtime due to planned shutdowns and complications	<b>+ 24</b>
Chesf and Eletronorte - PLR Reversal	<b>- 75</b>
Chesf: Greater investment allocation	<b>- 26</b>

<b>Recurrent Material</b>	<b>+ 5</b>
Furnas: maintenance resumption	<b>+ 9</b>
Eletronorte: accounting reclassification of expenses with R&D projects	<b>-11</b>
Electronuclear: stock revaluation and Angra 2 shutdown	<b>+5</b>

<b>Recurring Services</b>	<b>+ 62</b>
In special due to resumption of operational maintenance activities and building and administrative support services ((Chesf, Enorte and CGT Eletrosul)	<b>+16</b>
Electronuclear: Angra 2 stops (25 days)	<b>+ 44</b>
CGT Eletrosul: resumption of maintenance and expenses with arbitration proceedings	<b>+ 14</b>
Furnas: highlighting the reduction of hired labor	<b>-38</b>
<b>Others Recurrent</b>	<b>- 121</b>
Donations and Contributions (COVID and CEPEL Account)	<b>- 19</b>
Chesf: Appropriation of Insurance Expenses	<b>+ 8</b>
Chesf: reduction in indemnities, losses and damages	<b>-37</b>



# Operating Provisions 3Q21 (R\$ million)



	3Q20	3Q21	Var. %
<b>Negative</b> values represent the <b>constitution of provision</b>			
Contingencies	-642	-375	-42%
Compulsory Loan	-377	-9,059	2304%
Provision for Implantation of Shares - Compulsory Loan	-353	-47	-87%
<i>Impairment</i> of long-term assets	43	454	955%
Onerous Contracts	-172	-23	87%
Aneel Provision – CCC	-27	-288	963%
Others	-473	8	102%
<b>Total</b>	<b>-2,002</b>	<b>-9,330</b>	<b>366%</b>

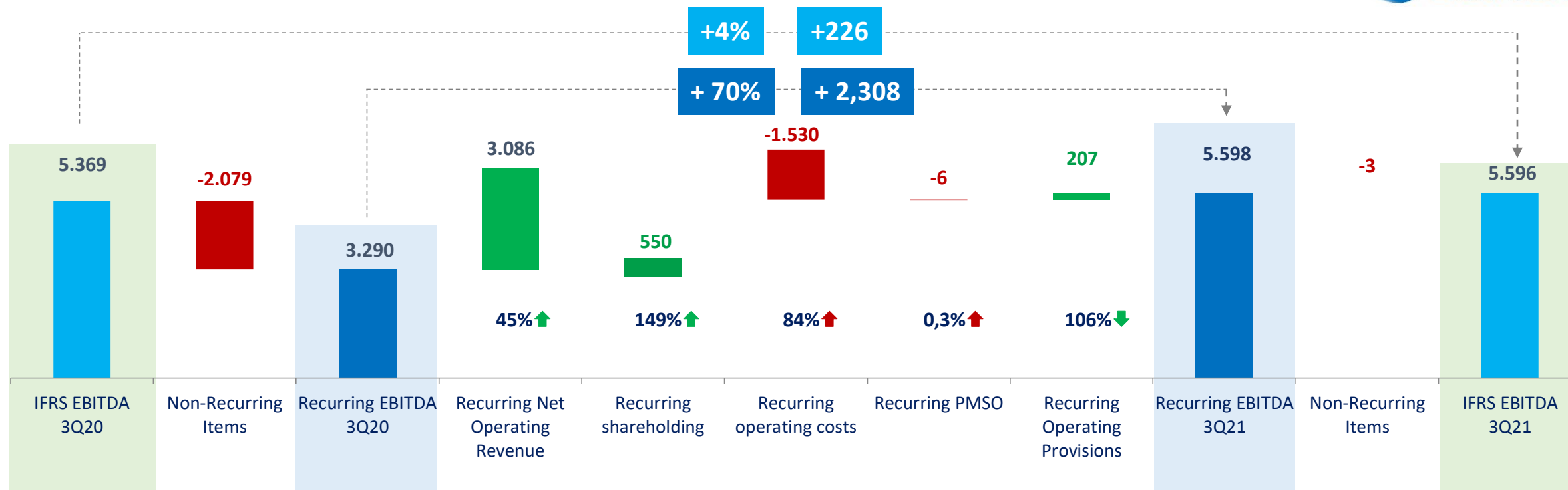
<b>Contingencies</b>	<b>-375</b>
Chesf: Risk reclassification and legal proceedings update	-657
Eletronorte: Cetenco Provision (value update)	-91
Chesf: Reversal of provision for GSF lawsuit	+369

<b>Compulsory Loan</b>	<b>-9,059</b>
Reclassification of risks and revision of parameters	

<b>Impairment de ativos de longo prazo</b>	<b>+454</b>
Casa Nova and Pindaí	+210
Usinas UTE Santa Cruz and UHE Batalha	+264
Reversals due to better expected energy prices	+157
Samuel	+99
UHE Passo São João, EOL Coxilha Seca and João Borges	+103
Candiota III	-276

<b>Aneel - CCC</b>	<b>-288</b>
Holding: Provision of current CCC credits assigned by distributors	-340
Eletronorte: Right to CCC reimbursement resulting from the inspection and reprocessing of the CCC from July 2009 to June 2016	+53

# Ebitda 3Q21 (R\$ million)



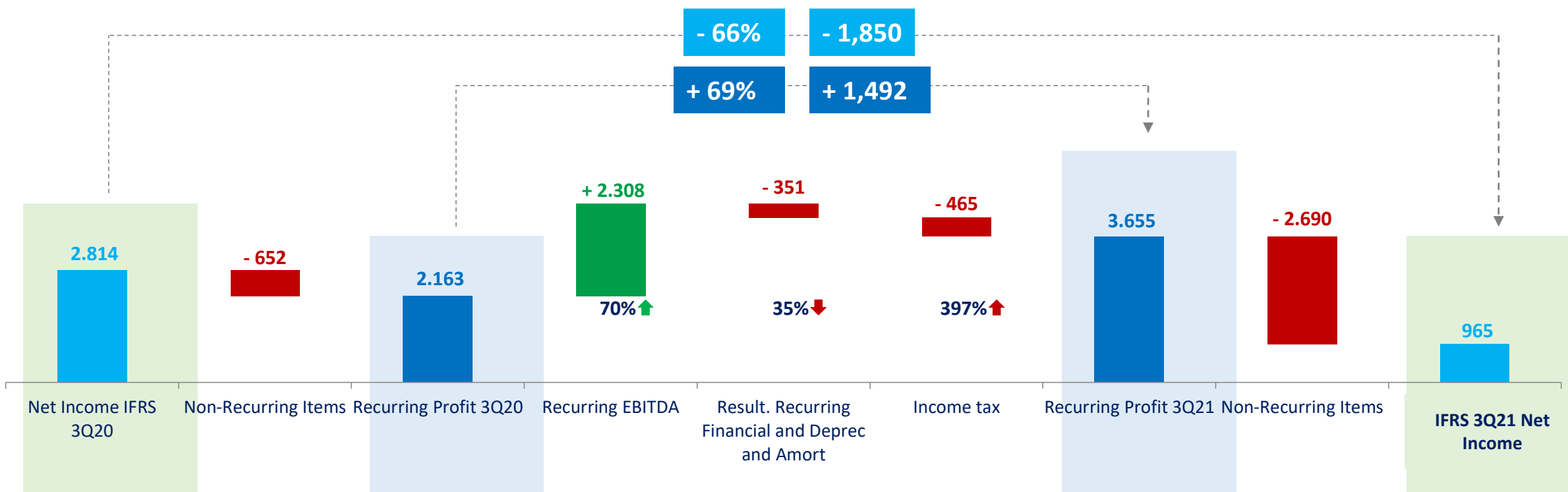
<b>Non-recurring items 3Q20</b>	<b>2,079</b>
Regulatory remeasurements	4,228
Contingencies	1,019
Provision for Implementation of Compulsory Loan Shares	353
Others	777

Net operating revenue, Costs and Expenses, PMSO and provisions see slides 11, 15 and 16

<b>Recurring shareholdings</b>	<b>+550</b>
Norte Energia: GSF extension	+105
Chapecoense SPE: reduction in energy purchases	+58
CTEEP	+80
<b>Recurring operating provisions</b>	<b>-207</b>
Warranties	-2
Recurrent PCLD	-138
Improvement GAG provision	-59
Others	-10

<b>Non-recurring items 3Q21</b>	<b>- 3</b>
Compulsory Loan	-9,059
Contingências	-375
Regulatory remeasurements - RBSE reprofiling	+4,859
Hydrological risk renegotiation	+4,266
Impairment (reversal)	+454
Others	-148

# Net Income 3Q21 (R\$ million)



## Recurring Financial Result

- 351

Loss with net exchange variation

- 408

Reduction in interest income, commissions and fees

- 81

Increase in debt charges

-136

Gain with derivatives

+ 83

Increased income from financial investments

+ 69

## Non-recurring items 3Q21

- 2,690

Adjustments in Ebitda (slide 17)

- 3

Deferred IR/CSLL: GSF and Transmission Contractual Asset

- 2,487

Financial expense from the exchange of Selic for IPCA ineffective credit.  
Econ and Energy Res. CNPE No. 15/2021

- 432

Compulsory Loan: monetary restatement

- 194

Holding: monetary restatement of the 14-month increase in economic  
and energy inefficiency

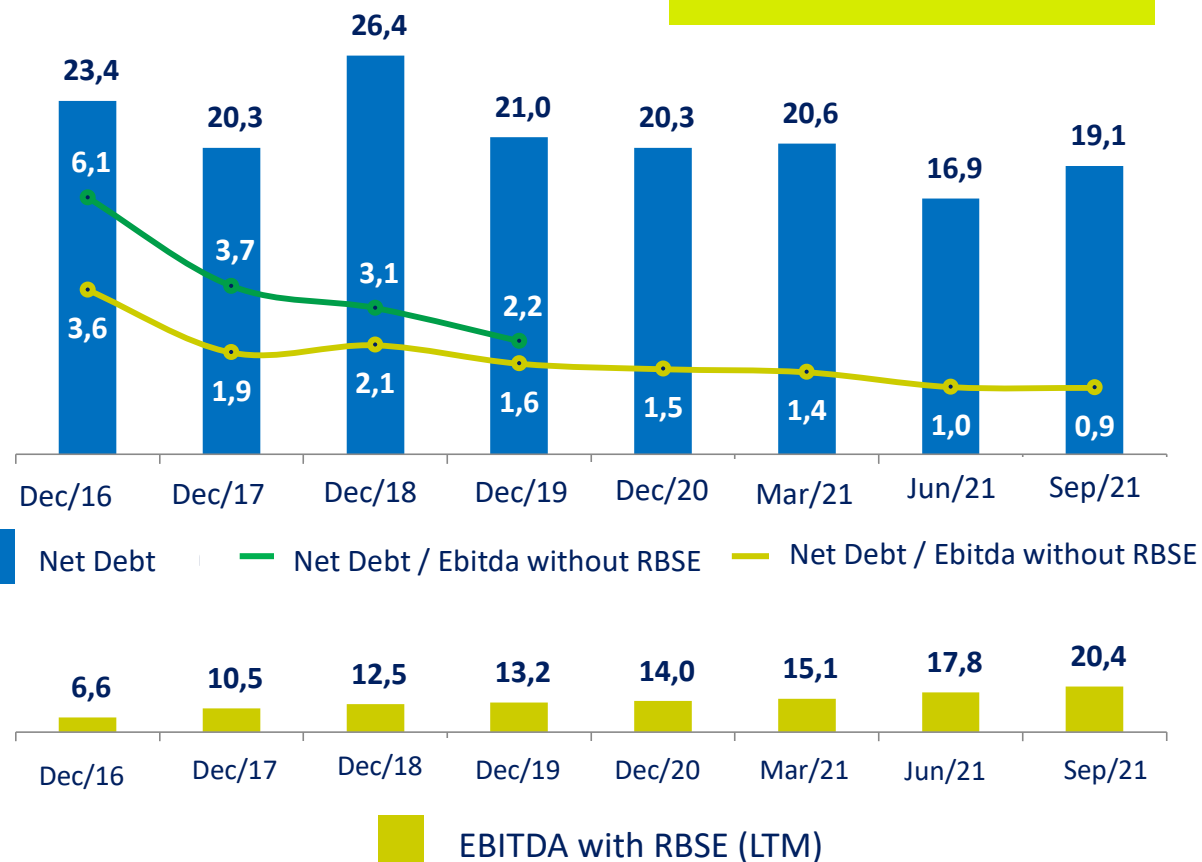
+151

# Financial Discipline (R\$ billion)

## Net Debt / Ebitda

Goal

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



## Setembro de 2021

(+) Short-term debt (current liabilities)	11,876
(+) Long-term debt	36,276
<b>= Gross Debt</b>	<b>48,152</b>
(-) Cash and cash equivalents + marketable securities)	20,432
(-) Financing Receivable	7,672
(-) Net balance of Itaipu Financial Assets	941
<b>Net Debt</b>	<b>19,106</b>

## Disbursements after 3Q21

**US\$ 646 million**

Bonds Payment  
Oct/21(values from  
Sep/21)

**R\$ 852 million**

Angra 3 contribution as  
of Dec/21

**R\$ 567 million**

El Paso Process  
Agreement, R\$ 257  
million paid in  
November/21



# Investment Realized (R\$ million)



	Invested 1Q21	Invested 2Q21	Invested 3Q21	Budget 3Q21	%	Non realized 3Q21	
<b>Corporate Generation</b>	<b>275</b>	<b>481</b>	<b>569</b>	<b>1.137</b>	<b>50%</b>		<b>568</b>
<b>Implantation</b>	<b>145</b>	<b>329</b>	<b>431</b>	<b>851</b>	<b>47%</b>	Angra III (reviews by the end of Renuclear/bid for resumption of works)	<b>333</b>
Angra 3	133	250	375	708	46%		
Santa Cruz	9	65	35	103	58%	Santa. Cruz (Covid non-authorization turns off ONS)	<b>67</b>
Casa Nova	1	3	5	6	65%		
Others	2	12	16	34	44%	Maintenance Angra I and II (pandemic impacts)	<b>86</b>
<b>Maintenance</b>	<b>130</b>	<b>152</b>	<b>139</b>	<b>287</b>	<b>58%</b>		
<b>Corporate Transmission</b>	<b>141</b>	<b>277</b>	<b>378</b>	<b>524</b>	<b>57%</b>		<b>146</b>
Enlargement	16	38	34	11	96%	Covid Impacts	<b>17</b>
Reinforcement and improvements	96	213	300	413	56%	Environmental Licensing	<b>20</b>
Maintenance	30	27	44	99	46%	Problems with bidding	<b>12</b>
<b>Infrastructure and others*</b>	<b>65</b>	<b>91</b>	<b>75</b>	<b>118</b>	<b>44%</b>		<b>43</b>
<b>Corporate Total</b>	<b>481</b>	<b>849</b>	<b>1,022</b>	<b>1,779</b>	<b>48%</b>		
<b>SPEs</b>	<b>40</b>	<b>131</b>	<b>2</b>	<b>82</b>	<b>30%</b>		<b>80</b>
<b>Total</b>	<b>522</b>	<b>981</b>	<b>1,024</b>	<b>1,861</b>	<b>49%</b>	Teles Pires (postponement of contributions) - debenturies	26
						Brasil Vento (intakes to subsidiaries IBER and others)	34
						Livramento - contribution for decommissioning not occurred	16

\*Environmental Quality, Infrastructure, Technological Development

\*Chesf - Itaparica Infrastructure Action - Generation Maintenance

# Thank you!

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