



Announcement | Lisbon | 11 May 2021

Material Fact disclosed by Oi

PHAROL, SGPS S.A. hereby informs on the Material Fact disclosed by Oi, S.A., according to the company's announcement attached hereto.

PHAROL, SGPS S.A.

Public Company
Share capital Euro 26,895,375
Registered in the Commercial
Registry Office of Lisbon and
Corporation no. 503 215 058

PHAROL is listed on the Euronext
(PHR).
Information may be accessed on
Bloomberg under the symbol PHR
PL.

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Oi S.A. – In Judicial Reorganization

Federal Taxpayers' Registry (CNPJ/ME) No. 76.535.764/0001-43

Board of Trade (NIRE) No. 33.3.0029520-8

Publicly-Held Company

MATERIAL FACT

Restatement of the Financial Statements for the 2020 Fiscal Year

Oi S.A. – In Judicial Reorganization (“Oi” or “the Company”), in compliance with Article 157, Paragraph 4, of Law No. 6,404/76 and the provisions of CVM Instruction No. 358/02, hereby informs its shareholders and the market in general that, on this date, the Company's Board of Directors approved the voluntary restatement of its financial statements for the fiscal year ended on December 31, 2020.

The restatement of the individual and consolidated Financial Statements for the year ended on December 31, 2020 was due to the need of correction for reclassification (reallocation in the line items in the Income Statement) between the results of the Company's continued operations and discontinued operations, as shown below:

IN MILLIONS OF BRAZILIAN REAIS	Consolidated 2020			Consolidated 2019		
	Stated	Reclassification	Adjusted	Stated	Reclassification	Adjusted
Net operating revenue	9,284	-	9,284	10,492	-	10,492
Cost of sales and/or services	(7,271)	-	(7,271)	(7,983)	-	(7,983)
Gross profit	2,013	-	2,013	2,510	-	2,510
Operating income (expenses)	(3,824)	-	(3,824)	(7,107)	1,231	(5,876)
Loss before financial income (expenses) and taxes	(1,811)	-	(1,811)	(4,598)	1,231	(3,367)
Financial income	4,202	-	4,202	2,632	-	2,632
Financial expenses	(16,990)	512	(16,478)	(8,008)	(1)	(8,009)
Financial income (expenses)	(12,788)	512	(12,275)	(5,377)	(1)	(5,377)
Pre-tax loss	(14,599)	512	(14,087)	(9,974)	1,230	(8,744)
Income tax and social contribution	3,551	-	3,551	13	-	13
Loss from continuing operations	(11,048)	512	(10,536)	(9,962)	1,230	(8,731)
Profit (loss) for the year from discontinued operations (net of taxes)	519	(512)	7	866	(1,230)	(364)
Loss for the year	(10,528)	-	(10,528)	(9,095)	-	(9,095)

The restatement does not affect the Statements of Income, Comprehensive Income, Changes in Financial Position and Cash Flows and the corporate earnings/loss per share for the year ended on December 31, 2020, nor does it affect the equity and financial position and the performance of consolidated operations for the year ended on that date.

The Company hereby informs that, as of this date, the restated 2020 Financial Statements are available to shareholders at Oi's registered headquarters office, on the Brazilian Securities and Exchange Commission website (*Comissão de Valores Mobiliários*, or the CVM) (www.cvm.gov.br), the B3 S.A. - Brasil, Bolsa, Balcão website (www.b3.com.br) and the Company's investor relations website (ri.oi.com.br).

Rio de Janeiro, May 10, 2021.

Oi S.A. – In Judicial Reorganization

Camille Loyo Faria

Chief Financial Officer and Investor Relations Officer