



Announcement | Lisbon | 2 March 2020

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' [CNPJ/ME] No. 76.535.764/0001-43

Board of Trade [NIRE] No. 33.3.0029520-8

Publicly-Held Company

MATERIAL FACT

Oi S.A. – In Judicial Reorganization (“Oi” or the “Company”), in accordance with Article 157, Paragraph 4, of Law No. 6,404/76 and the provisions of CVM Instruction No. 358/02 and further to the Material Fact dated December 6, 2019, which set forth the circumstances giving rise to the need to extend the judicial reorganization so that the Company may continue with its investment and uplift plan, hereby informs its shareholders and the market in general that, on February 27, 2020, the Company, together with its subsidiaries in judicial reorganization (together, the “Oi Companies”), filed a petition with the 7th Corporate Court of Rio de Janeiro explaining its interest in submitting for deliberation of the creditors, in a new General Creditors’ Meeting (the “GCM”), an amendment to the ratified Judicial Reorganization Plan (the “RJ Plan”), aimed at achieving greater operational and financial flexibility to continue its project of investment and compliance with its strategic transformation plan (the “Strategic Plan”), both already widely disclosed to the market.

The Company's strategy involves reorganizing its operations in order to make its corporate structure more efficient and create strategic opportunities to raise capital and strengthen Oi in line with its Strategic Plan, which is being implemented with transparency.

Oi reaffirms its commitment in the execution of its Strategic Plan with a focus on the expansion of fiber optics in Brazil and on businesses with higher added-value and with a growth trend and forward thinking. This movement is already beginning to yield positive results in the Company’s operational and financial indicators and will be accelerated beginning in 2020, reaching consolidation in 2021.

Under clause 11.8 of the RJ Plan, the creditors that would be entitled to vote in a new GCM will only consist of those who held credits and had voting rights as creditors at the

time of the General Creditors' Meeting held on December, 19 and 20, 2017 and who still maintained an interest in the Company and/or other Oi Company at the close of the market on February 27, 2020 as a result of their being creditors of any of the Oi Companies, including holders of Oi's outstanding 10.000%/12.000% Senior PIK Toggle Notes due 2025, or as a result of their owning shares of Oi, including shares of Oi represented by American Depositary Shares.

The Company will keep its shareholders and the market informed of the development of the subject matter of this Material Fact.

Rio de Janeiro, February 28, 2020.

Oi S.A. – In Judicial Reorganization

Camille Loyo Faria

Chief Financial Officer and Investor Relations Officer

Special Note Regarding Forward-Looking Statements

This Material Fact contains forward-looking statements. Statements other than historical facts, including statements of the Company's beliefs and expectations, business strategies, future synergies, cost savings, future costs and future liquidity, are forward-looking statements.. The words "will", "must", "should", "could", "anticipates", "intends", "believes", "estimates", "expects", "predicts", "plans", "targets", "objective", "projects", "forecasts" and similar expressions, as they relate to the Company or its management, are intended to identify forward-looking statements. There is no guarantee that the expected events, tendencies or expected results will actually occur. Such statements reflect the current view of the Company's management and are subject to various risks and uncertainties. These statements are based on several assumptions and factors, including general economic and market conditions, industry conditions, corporate approvals, operating factors and other factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations. All forward-looking statements attributable to the Company or its affiliates, or people acting on their behalf, are expressly qualified in their entirety by the cautionary notices set forth in this paragraph. No undue reliance should be placed on these statements. Forward-looking statements speak only as of the date on which they were made. Except as otherwise required by federal securities laws of Brazil or of the U.S., or by the rules and regulations of the CVM, the SEC, or applicable regulatory authorities of other countries, the Company and its affiliates do not have any intention or

obligation to update or publicly announce the results of any revisions to any of its forward-looking statements to reflect actual results, future events or developments, changes in assumptions or changes in other factors affecting forward-looking statements. However, it is advisable to consult other disclosures made by the Company on matters related to reports and communications filed by the Company within the CVM and the SEC.