



Announcement | Lisbon | 15 December 2020

Notice to the Market disclosed by Oi

PHAROL, SGPS S.A. hereby informs on the Notice to the Market 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.

Luis Sousa de Macedo
Investor Relations Director
ir@pharol.pt
Tel.: +351 212 697 698
Fax: +351 212 697 649

pharol.pt



Oi S.A. – In Judicial Reorganization

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

Board of Trade (NIRE) No. 33.3.0029520-8

Publicly-held Company

MATERIAL FACT

Result of the Competitive Procurement Procedure for the Sale of the Mobile Assets UPI

Oi S.A. - In Judicial Reorganization ("Oi" or the "Company"), in compliance with Article 157, paragraph 4, of Law No. 6.404/1976 and the provisions of CVM Instruction No. 358/2002, hereby informs its shareholders and the market in general that, in accordance with the information disclosed in the Material Facts dated September 7, 2020 and September 8, 2020 and with the Amendment to the Judicial Reorganization Plan ratified by the 7th Corporate Court of the Capital of the State of Rio de Janeiro (the "Judicial Reorganization Court") on October 5, 2020 (the "Amendment to the JRP"):

- (i) On this date, the Judicial Reorganization Court held the hearing for the opening of closed bids submitted under the competitive procurement process for the sale of the Mobile Assets UPI, in the form and under the terms set forth in the Amendment to the JRP and in the Mobile Assets UPI Notice;
- (ii) During the bid hearing, there was only one closed proposal for the acquisition of the Mobile Assets UPI, which was presented jointly by Telefônica Brasil S.A., TIM S.A. and Claro S.A. (the "Bidders"), in the exact terms and conditions of the binding offer for the acquisition of the Mobile Assets UPI presented by the Bidders, in the amount of R\$ 16.5 billion, of which R\$ 756 million refer to transition services to be provided to the Bidders by Oi for up to 12 months, in addition to the commitment to enter into long-term agreements with Oi for the performance of services of transmission capacity, under "take or pay" modality, the net present value (NPV) of which, calculated for the purposes of and pursuant to the Amendment to the JRP, is R\$ 819 million. Such amounts shall be paid in cash, in accordance with the terms and conditions provided for in the respective binding offer and in the respective Share Purchase and Sale Agreement set out in Attachment 5.3.9.1 of the Amendment to the JRP;

- (iii) Due to the fact that a single closed proposal for the acquisition of the Mobile Assets UPI was presented, the Judicial Reorganization Court ratified the offer presented by the Bidders as the winner of the competitive procurement process for the sale of the Mobile Assets UPI, after the favorable manifestation of the Government Attorney's Office of the State of Rio de Janeiro and of the Judicial Administrator;
- (iv) As provided for in the Mobile Assets UPI Notice, the respective Share Purchase and Sale Agreement will be executed with the Bidders, with the effective completion of the transfer of shares subject to compliance with the conditions provided for in such agreement, among which the prior consent of the Brazilian Telecommunications Agency (*Agência Nacional de Telecomunicações – ANATEL*) and the approval of the purchase and sale of shares by the Administrative Council for Economic Defense (*Conselho Administrativo de Defesa Econômica – CADE*).

The Company will keep its shareholders and the market informed about the development of the matters covered by this Material Fact.

Rio de Janeiro, December 14, 2020.

Oi S.A. – In Judicial Reorganization
Camille Loyo Faria
Chief Financial Officer and Investor Relations Officer