



PHAROL

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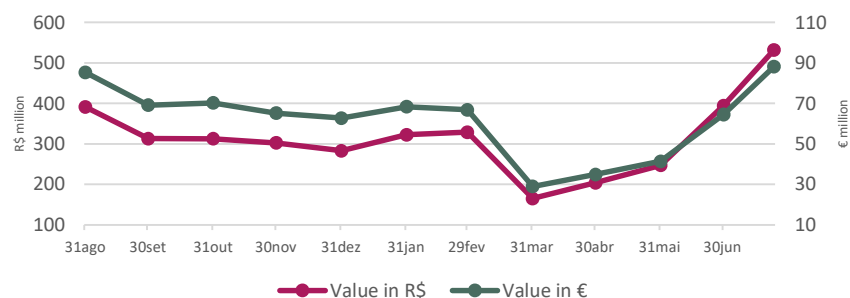
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Asset portfolio as of 30/06/2020

Stake in Oi

- Shares held: 328,059,859 (5,51%)
 - 326,259,859 ordinary shares
 - 1,800,000 preferential shares
- Market value: Eur. 65M (Eur. 76M November 2nd)

PHAROL's stake in Oi (12M)



Rio Forte Debt

- Nominal value: €897m
- Fair value: €63m
- Status: asset disposal underway and claims under verification

Cash

- Deposits: €21.9m
- Net cash: €4.4M

Other current issues

- Litigations
 - Against former Executive Directors
 - Against former Auditor
 - CMVM penalty
- Remote contingencies
 - Tax contingencies responsibility of Oi
 - Rio Forte/ESI
 - CVM Brasil
 - CMVM Process
- Termination of ADS/ADR programme on September 3, 2020

Financial Highlights as of 30/06/2020

Pharol (EUR mill.)	H1 '20	H1 '19
EBITDA	(1.4)	(2.0)
Net Income	(1.7)	24,8
Equity	131.7	131.5*

*Refers to Dec2019

Managing current asset portfolio

- Cooperate with Oi to enhance the operational turnaround and stock valuation
- Follow carefully the liquidation process of Rio Forte to maximize:
 - recovery of defaulted debt in Luxembourg
 - Maximize the current litigations against ex-Board Members and former Auditors
 - Possible indemnities from old Espírito Santo group

Reduce Risks and Contingencies

- Tax contingencies
 - keeping control of guarantees from Oi
 - following litigation
- ESI

Cost reduction, synergy maximization

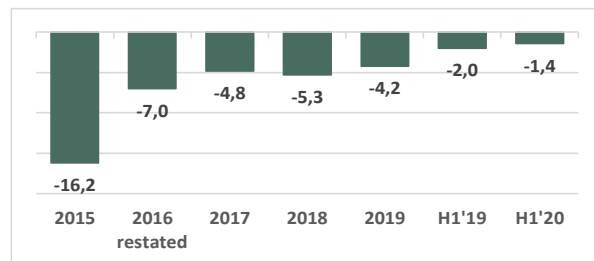
- Continue strict cost management
- Cash management allowing
 - low risk and
 - funding foreseeable years of litigations
- Explore strategic synergies with other groups

Over the past 5 years Pharol's P&L essentially reflects the management of Oi's holding and the lawsuits against Rio Forte, former Directors and former Auditor. As such, 2019 EBITDA (-€4.2M) and 1H2020 (-1,4) reflects mostly legal and personnel costs. Net profit over the past years also reflect Oi's stake and Rio Forte assets devaluations.

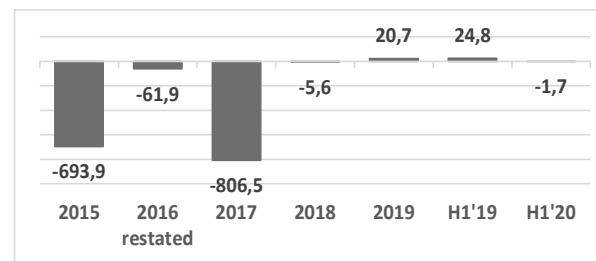
- In 2015, Pharol stake in Oi devalued expressively, as it started being reported at market value rather than accounting value (€612M net loss in JV's and associates)
- In the first half of 2019 the gain registered in P&L essentially refers to gain from the agreement between PHAROL and Oi which resulted in compensation for damages caused to PHAROL in the amount of Euros 36.8 million

- As of June 2020, Pharol's net assets amounted at €131,7M, of which €64,5M (Eur. 76M November 2nd) related to Oi's stake (at market value) and €63,2M to its estimation of the recoverable amount of Rio Forte's debt securities. The Company also had a positive net cash position of €4,4M
- Although not registered in the B / S, Pharol incurred losses with: 1) the investment in Oi, and 2) the default on Rio Forte's debt, which resulted in more than 5 billion euros of tax losses that could be used over the next 8 years

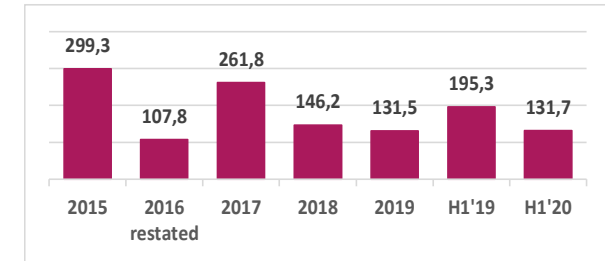
EBITDA (€M)



Net income (€M)



Equity (€M)



Consolidated P&L (€M)	2015	2016 restated	2017	2018	2019	H1'19	H1'20	Consolidated B/S (€M)	2015	2016 restated	2017	2018	2019	H1'19	H1'20
SG&A	-9,4	-4,4	-2,7	-3,3	-2,3	-1,2	-0,6	Invest. in JVs and associates	102,2	0,0	0,0	0,0	0,0	0,0	0,0
Staff costs	-3,6	-2,1	-1,9	-1,6	-1,6	-0,8	-0,6	Financial assets	0,0	0,0	167,8	46,9	62,6	120,6	64,5
Direct tax	-3,2	-0,6	-0,3	-0,4	-0,4	-0,1	-0,1	Other assets	141,9	88,1	76,1	76,8	63,5	67,0	63,9
Reported EBITDA	-16,2	-7,0	-4,8	-5,3	-4,2	-2,0	-1,4	Cash	64,9	28,9	25,2	38,1	17,9	22,5	21,9
D&A	-0,1	-0,1	-0,1	-0,1	-0,1	0,0	-0,3	Total assets	309,1	117,0	269,1	161,7	144,1	210,0	150,3
Other net gain/loss	0,2	0,0	2,8	-11,6	12,6	12,6	-0,3	Financial debt	0,1	0,1	0,1	0,1	0,3	0,1	0,2
Operating income	-16,1	-7,1	-2,1	-17,0	8,2	10,6	-1,7	Other Liabilities	9,7	9,2	7,3	15,3	12,3	14,6	18,4
Net gain/loss in fin. assets and	-63,0	-54,4	-11,3	-0,9	25,2	26,7	0,0	Equity	299,3	107,8	261,8	146,2	131,5	195,3	131,7
Net gain/loss in JVs and	-600,2	-	-792,7	0,0	0,0	0,0	0,0	Total liabilities and equity	309,1	117,0	269,1	161,7	144,1	210,0	150,3
Other net financial gain/loss	-14,6	-0,3	-0,4	-0,2	0,0	-0,1	0,0								
Earning before tax	-693,8	-61,8	-806,5	-18,2	33,4	37,3	-1,7								
Net income	-693,9	-61,9	-806,5	-5,6	20,7	24,8	-1,7								



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