



**Announcement** | Lisbon | 3 March 2023

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## 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**

CNPJ/ME No. 76.535.764/0001-43

NIRE 33.3.0029520-8

Publicly-Held Company

### **MATERIAL FACT**

**Oi S.A. – In Judicial Reorganization** (“Oi” or “Company”), in accordance with Paragraph 4 of Article 157 of Law No. 6.404/1976 and the provisions of the Brazilian Stock and Exchange Commission (“CVM”) Resolution No. 44/21, and further to the Material Fact dated October 27, 2022, December 31, 2022 and February 2 and 3, 2023, hereby informs its shareholders and the market in general that, after several discussions and negotiations involving a potential restructuring of certain debts of the Company, as of the date hereof, the Company has reached an agreement with a group representing the majority of (i) holders of 10%/12% Senior PIK Toggle Notes due in 2025 issued by Oi, on July 27, 2018, and guaranteed, jointly and severally, by Telemar Norte Leste S.A. – In Judicial Reorganization, Oi Móvel S.A. – In Judicial Reorganization, Oi Brasil Holdings Coöperatief U.A. – In Judicial Reorganization and Portugal Telecom International Finance B.V. – In Judicial Reorganization (“Noteholders”); and (ii) lenders of loans to the Company deriving from Export Credit Agencies agreements (“ECA Holders” and, with the Noteholders, the “Financial Creditors”), on the principal commercial terms and conditions for a restructuring of certain debts of the Company and long-term financing to be provided to support the Company’s ongoing operations (the “Proposed Restructuring”). The Company believes that the Proposed Restructuring will comprehensively enhance its balance sheet and deliver long-term value to all Oi stakeholders.

The principal terms of the Proposed Restructuring are set out in the term sheet attached to this Material Fact (the “Restructuring Term Sheet”).

The Proposed Restructuring also contemplates a potential interim “debtor in possession” financing facility, as permitted by Law No. 11,101/05, in the amount of US\$ 275,000,000.00 (two hundred and seventy five million dollars) (the “DIP Financing”), which is expected to be provided by certain Financial Creditors, to address the Company’s short-term funding needs, before the long term financing included in the

agreement can be accessed. The principal terms of the DIP Financing are set out in the term sheet attached to this Material Fact (the "DIP Term Sheet" and together with the Restructuring Term Sheet, the "Term Sheets").

As set out in the Term Sheets, the detailed final terms of Proposed Restructuring, including the final terms of DIP Financing, are subject to a number of conditions, including, without limitation, (i) the agreement of the definitive documentation necessary or desirable to implement the Proposed Restructuring, and (ii) the approval by the 7<sup>th</sup> Corporate Court of Justice of the Capital of the State of Rio de Janeiro.

The Company also intends to enter into a restructuring support and lock-up agreement with the majority of the Financial Creditors (respectively, the "RSA" and the "RSA Creditors"), to facilitate the implementation of the Proposed Restructuring. Pursuant to the terms of the RSA, the RSA Creditors will agree to support and vote in favour of a pre-agreed Judicial Recovery Plan consistent with the Term Sheets (or more detailed forms thereof) to be submitted by the Company in the context of the process of judicial reorganization of the Company and its subsidiaries Portugal Telecom International Finance B.V. – In Judicial Reorganization and Oi Brasil Holdings Coöperatief U.A. – In Judicial Reorganization, filed yesterday before the 7<sup>th</sup> Corporate Court of Justice of the Capital of the State of Rio de Janeiro ("Judicial Reorganization"), as set forth in the Company's Material Fact disclosed earlier today.

Given the level of indicative support for the Proposed Restructuring received to date, the Company is very confident it will present a viable Judicial Recovery Plan to implement the Proposed Restructuring in a manner satisfactory to all stakeholders in the near term.

In connection with the negotiations of the Proposed Restructuring, the Company and its representatives and legal and financial advisors (collectively the "Company's Representatives") have shared certain non-public material information ("Confidential Information") with certain Financial Creditors and their legal and financial advisors (collectively the "Financial Creditor Representatives"), as well as held meetings with relevant Financial Creditors and Financial Creditor Representatives.

Pursuant to the terms and conditions of the Confidentiality Agreements entered into by the Company with the relevant Financial Creditors, the Company has agreed to make public certain Confidential Information provided by the Company and/or Company Representatives to the relevant Financial Creditors in connection with discussions to agree the terms of the Proposed Restructuring ("Materials").

The Materials consist of the presentations and other documents and information prepared by the Company and/or Company Representatives in relation to the Proposed Restructuring, which are attached to this Material Fact.

The Materials and the Term Sheets can also be found in the attachment to this Material Fact.

All information contained in the Materials and the Term Sheets was accurate on the date of delivery by the Company and the Company's Representatives to the Financial Creditors and the Financial Creditor Representatives, has not been updated since the date of delivery and shall not be used for any purpose other than the ones necessary for the implementation of the Proposed Restructuring. The information included in this Material Fact, the Term Sheets and the Materials made available are being made public to comply with the Company's disclosure obligations provided for in the referred Confidentiality Agreements.

As part of its efforts to restructure its future obligations, the Company also discloses through this Material Fact it has received from V.tal, yesterday, a binding plan support proposal, in connection with its Long-Term Lease Agreement Contract "Take-or-Pay" credits originally from Globenet ("LTLA") against the Company. This plan support proposal indicates V.tal's commitment to adhering to a proposed Judicial Recovery Plan, by extending the company a 50% discount on all future LTLA obligations from 2025 to 2028, provided certain conditions are met. Amongst those conditions, the payment of 44% of the remaining post discount credits should be paid by payments in kind, through an agreement to receive a minimum volume of decommissioned cable network infrastructure, along with the responsibility for all of the costs of extracting and monetizing them, and which the company would otherwise sell as scrap. All other credits should continue to be paid according to their original schedule from 2025 to 2028, with the committed discounts already applied. This proposal will be analyzed by the Company, as it potentially signals a very significant reduction of Oi's future non-financial liabilities, being aligned with the restructuring plan objectives.

The Company will continue the negotiations with, amongst others, the Financial Creditors in order to implement the agreement and execute the definitive documents, and will keep its shareholders and the market in general informed of any development regarding the subject matter of this Material Fact.

Rio de Janeiro, March 2, 2023.

**Oi S.A. – In Judicial Reorganization**  
Cristiane Barretto Sales  
Chief Financial and Investor Relations Officer

### **Note Regarding Forward-Looking Statements:**

This Material Fact contains forward-looking statements. Statements that are not historical facts, including statements of Oi's beliefs and expectations, business strategies, future synergies, cost savings, future costs and future liquidity, are considered forward-looking statements. The words "will", "shall", "would", "should", "anticipates", "intends", "believes", "estimates", "expects", "anticipates", "plans", "targets", "purpose", "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 Oi'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 material differences between the actual results and 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. Undue reliance should not be placed on these statements. Forward-looking statements only speak as of the date on which they were made. Except as otherwise required by the Brazilian securities legislation and the rules and regulations of the CVM, 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.

# New Oi

**New blow out  
material from  
discussions with  
Creditors**



# disclaimer

This presentation contains unaudited figures and forward-looking statements as defined in applicable Brazilian regulations. Statements that are not historical facts, including statements regarding the beliefs and expectations of Oi, business strategies, future synergies, cost savings, future costs and future liquidity are considered forward-looking statements.

Words such as “will”, “should”, “would”, “shall”, “anticipates”, “intends”, “believes”, “estimates”, “expects”, “plans”, “targets”, “objective” and similar expressions, if related to Oi or its management, are intended to identify forward-looking statements. There is no guarantee that expected events, trends or results will effectively occur. Such statements reflect the current view of Oi’s management and are subject to many risks and uncertainties. These statements are based on assumptions and factors, including general market and economic conditions, industry conditions, corporate approvals, operating factors and others. Any changes in such assumptions or factors may impact results, which, in turn, may differ materially from current expectations. All forward-looking statements attributable to Oi or its affiliates, or to persons acting on their behalf, qualify entirely as cautionary statements as set forth in this paragraph. Disproportionate reliance should never be placed on such statements. Forward-looking statements only make reference to the date in which they were disclosed.

Except as required by securities legislation in Brazil and rules and regulations issued by the CVM, or regulatory bodies in other applicable jurisdictions, Oi and its affiliates are not obligated, and do not intend, to update or publicly announce revisions to any of the forward-looking statements to reflect actual results, future events or developments, changes in assumptions or in any other factors that affect forward-looking statements. We recommend, however, that you gain awareness of additional disclosures made by Oi on related matters by consulting reports and/or notices that Oi may file with the CVM.

# AGENDA

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# Restructuring Term Sheet



# Pre agreement with group of creditors to support continuity in implementation of the transformation plan [agreement subject to execution to final long-term documents]

## KEY PRINCIPLES

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- 1 De-lever Company to mid and long-term sustainable levels
- 2 Raise liquidity to address short-term funding needs
  - Allow for interim DIP financing to bridge time gap until New Money settlement
  - Ability to offer collateral to creditors providing New Money
  - Differentiated treatment to creditors providing New Money
- 3 Ability to create structure to allow for a debt-to-equity swap addressing Company's capital structure

# The settlement proposal provides targeted creditors with two options, with the key differentiator being the provision of new money

## KEY PROPOSAL TERMS

### SCOPE OF RESTRUCTURING

- Financial creditors including ECAs, Local Banks, and Bondholders
- Certain Non-financial creditors, including providers of unused Take Or Pay (“ToP”) obligations (including Towers, Submarine Cables and Satellite contracts): Negotiations ongoing with objective to agree on discount levels of up to 50% of future unused ToP, according to specific terms with each individual non-financial creditor prior to plan approval
  - Illiquid contingent claims

### OPTION 1 DESCRIPTION

- Option 1 creditors required to provide new capital to Oi in the form of senior secured debt (the “New Priority Secured Debt”)
- As a condition to this deal and signing up to an Restructuring Support Agreement (RSA), the Company and RSA holders shall enter into interim DIP financing
  - Interim financing will be repaid with proceeds of the New Priority Secured Debt, in cash or by cashless roll-over
  - RSA holders shall provide the interim DIP financing at markets terms and conditions
- Option 1 creditors receive a partial roll up of existing claims into R\$10.75bn of secured debt (the “Roll-Up Debt”)
- Remaining claims, together with remaining claims of Option 2, exchanged into 80% of fully diluted, pro-forma, reorganized Oi Equity, assuming all voting rights according to Brazilian Law

### OPTION 2 DESCRIPTION

- Option 2 creditors are not required to provide new money
- 30% of claims electing Option 2 exchanged into a secured debt instrument (the “A&E Reinstated Debt”)
- Remaining claims, together with remaining claims of Option 1, exchanged into 80% of fully diluted, pro-forma, reorganized Oi Equity, assuming all voting rights according to Brazilian Law

### EXISTING SHAREHOLDERS

- Shareholders shall have the right to purchase equity in the aggregate amount of debt converted in the RJ at the par price of such debt
- New money raised through the share repair program will be used in accordance with Brazilian law
- Existing shareholders to receive 20% of the fully diluted pro forma reorganized Oi equity

### Governance

- Board composition and governance subject to Brazilian law and voting mechanisms

## Transaction overview | Summary debt terms [1/2]

	NEW PRIORITY SECURED DEBT	ROLL-UP DEBT	A&E REINSTATED DEBT
	Option 1		Option 2
ISSUER / GUARANTOR	Oi S.A.	Oi S.A.	Oi S.A.
PRINCIPAL	<ul style="list-style-type: none"> <li>The greater of R\$4.0bn or US\$750mm New Priority Secured Debt, constituting new money (NM) and/or rollover DIP</li> <li>Option 1 Creditors that enter into backstop arrangements in respect to the New Priority Secured Debt to receive up to (full backstop) R\$750mm in New Priority Secured Debt</li> </ul>	<ul style="list-style-type: none"> <li>Total: R\$10.75bn</li> <li>New money providers have the ability to exchange up to R\$10.75bn of existing debt into Roll-Up Debt</li> </ul>	30% of claim
CURRENCY	USD or BRL (at holder's option)	USD or BRL (at holder's option)	USD or BRL(at holder's option)
MATURITY	June 2027	4.5 years post-closing	10 years post-closing
AMORT.	Bullet	Bullet	Bullet
INTEREST	<ul style="list-style-type: none"> <li>10.0% cash interest in USD; or</li> <li>7.5% cash + 6.0% PIK</li> <li>Or cost in BRL-equivalent</li> </ul>	<ul style="list-style-type: none"> <li>5.0% Cash; or</li> <li>0.5% Cash plus 8.0% PIK</li> <li>Or cost in BRL-equivalent</li> </ul>	<ul style="list-style-type: none"> <li>80% CDI<sup>(1)</sup> PIK, subject to cap of up to 8% PIK</li> <li>Or cost in USD-equivalent</li> </ul>
CASH SWEEP	Beginning 31 December 2026, 50% of unrestricted cash greater than \$350m to be used to redeem New Priority Secured Debt		



(1) Brazil Interbank Deposit Certificate (Certificado de Depósito Interbancário), which is approximately 11% as of January 2023.

# Transaction overview | Summary debt terms [2/2]

## KEY TERMS

### MANDATORY REDEMPTION ON ASSET SALE

- In case of partial or total sale of V.tal shares:
  - 100% of the net proceeds from such sale to redeem New Priority Secured Debt
  - 100% of the residual value after the full prepayment of New Priority Secured Debt to redeem Roll Up Debt
- In case of partial or total sale of ClientCo shares (subject to a minimum sales price to be agreed):
  - 100% of the net proceeds from such sale to redeem New Priority Secured Debt (if any)
  - 60% of the residual value after the full prepayment of New Priority Secured Debt to redeem Roll Up Debt
- In case of sale of any other asset constituting Collateral (e.g., Real Estate):
  - On asset sales up to BRL200mm, 100% of the proceeds are available to the company
  - On asset sales from BRL200mm to BRL400mm, 50% of the net proceeds from such sales to redeem New Priority Secured Debt and/or Roll-Up debt
  - On asset sales above BRL400mm, 100% of the net proceeds from such sales to redeem New Priority Secured Debt and/or Roll-Up Debt

### COLLATERAL

#### New Priority Secured Debt

- Day 1: Fiduciary Lien on 100% of Oi's V.tal shares (subject to regulatory/contractual approvals), 1st or highest lien available on fiber, B2B (Oi Soluções) receivables, fiduciary lien over ONTs, real estate (according to regulatory/contractual limitations), rights to proceeds from MobileCo arbitration, and proceeds from the sale of Tahto and Serede
- Upon creation of ClientCo: Fiduciary Liens on 100% of ClientCo shares, releasing the above collateral other than V.tal shares and real estate
- EoD: 100% of proceeds of any Collateral to be applied to discharge of the New Priority Secured Debt, in 1<sup>st</sup> Lien

#### Roll-Up Debt

- Day 1: Fiduciary Lien on 100% of Oi's V.tal shares (subject to regulatory/contractual approvals), 2<sup>nd</sup> or highest lien available on fiber, B2B (Oi Soluções) receivables, fiduciary lien over ONTs, real estate (according to regulatory/contractual limitations), rights to proceeds from MobileCo arbitration, and proceeds from the sale of Tahto and Serede
- Upon creation of ClientCo: Fiduciary Liens on 90% of ClientCo shares, releasing the above collateral other than V.tal shares and real estate
- EoD: 100% of proceeds of any collateral, excluding ClientCo shares, to be applied to discharge of the Roll-up Debt, in 2<sup>nd</sup> Lien
- EoD: 100% of proceeds of 90% of ClientCo shares to be applied to discharge of the Roll-up Debt, in 2<sup>nd</sup> Lien

#### A&E Reinstated Debt

- 3<sup>rd</sup> Lien on 100% of Oi's V.tal shares (subject to regulatory/contractual approvals)
- EoD: 100% of proceeds of Oi's V.tal shares to be applied to discharge of A&E Debt, in 3<sup>rd</sup> Lien

# DIP Term Sheet



# DIP facility term sheet | \$275mm interim dip financing to bridge time gap until new money settlement

## KEY TERMS

<b>AGGREGATE PRINCIPAL AMOUNT</b>	<ul style="list-style-type: none"> <li>• <b>USD275mm</b></li> <li>– Tranche 1 Notes: USD200mm in March/2023</li> <li>– Tranche 2 Notes: USD75mm, in June/2023 subject to certain CPs<sup>(1)</sup></li> </ul>
<b>INTEREST</b>	<ul style="list-style-type: none"> <li>• 8% cash and 6% PIK, payable monthly</li> </ul>
<b>UPFRONT FEE</b>	<ul style="list-style-type: none"> <li>• 3% payable pro rata in PIK on the Closing Date</li> </ul>
<b>COMMITMENT FEE</b>	<ul style="list-style-type: none"> <li>• 3% of the aggregate amount of the Tranche 2 Notes, payable pro rata in PIK</li> </ul>
<b>EXIT FEE</b>	<ul style="list-style-type: none"> <li>• Variable with time, starting at 2.5% up to 6 months, ramping up to 3.0% up to 12 months and 3.5% beyond 12 months all the way to maturity</li> </ul>
<b>TICKING FEE</b>	<ul style="list-style-type: none"> <li>• 1% additional fee (rate step up) after 6, 9 and 12 months payable in PIK</li> </ul>
<b>AMORTIZATION</b>	<ul style="list-style-type: none"> <li>• Bullet</li> </ul>
<b>TENOR</b>	<ul style="list-style-type: none"> <li>• 15 months</li> </ul>
<b>COLLATERAL</b>	<ul style="list-style-type: none"> <li>• Fiduciary lien over 95% of the V.tal shares (subject to existing restrictions) owned by the Company from Closing</li> </ul>
<b>OTHERS</b>	<ul style="list-style-type: none"> <li>• Default Rate: additional 7.0% per annum, payable monthly in cash, in an Event of Default</li> <li>• Mandatory Prepayment Offer: net cash proceeds from certain claims up to the full amount outstanding</li> <li>• Breakup Fee of 10% after disbursement in case of cancellation by Company</li> </ul>



# Estimation of Historical Cost Structure of New Oi





# Disclaimer and assumptions – Best efforts Estimation – Non audited



## Disclaimer

Due to the changes in the business model and footprint, the sale of Mobile and InfraCo assets in 2022, and implementation of the New Business Model with V.tal — which generates organizational changes and new revenue and expense dynamics — **it is not possible to accurately generate *proforma* historical figures of the new Oi...**



## METHODOLOGY

...nonetheless, the figures set forth in the next slides were estimated through the 2020 and 2021 Consolidated Income Statement, subtracting the Mobile and InfraCo Income Statements...

## Assumptions

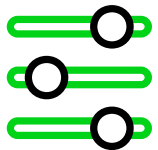
...to do so, the following assumptions were made:

### ▪ **InfraCo Income Statement:**

- Some costs were well-defined in the database, while the rest was estimated *pro rata* taking into account InfraCo's share over the Consolidated Costs
- Growth of some costs<sup>1</sup> were based on Homes Connected base evolution

### ▪ **Mobile Income Statement:**

- Since this income statement was carved-out, it does not include expenses such as Marketing, Corporate Communication, IT and Specialized Services. Thus, if any of those expenses are related to the Mobile UPI, they were considered in New Oi's figures
- No intercompany revenues or expenses were allocated in New Oi's figures



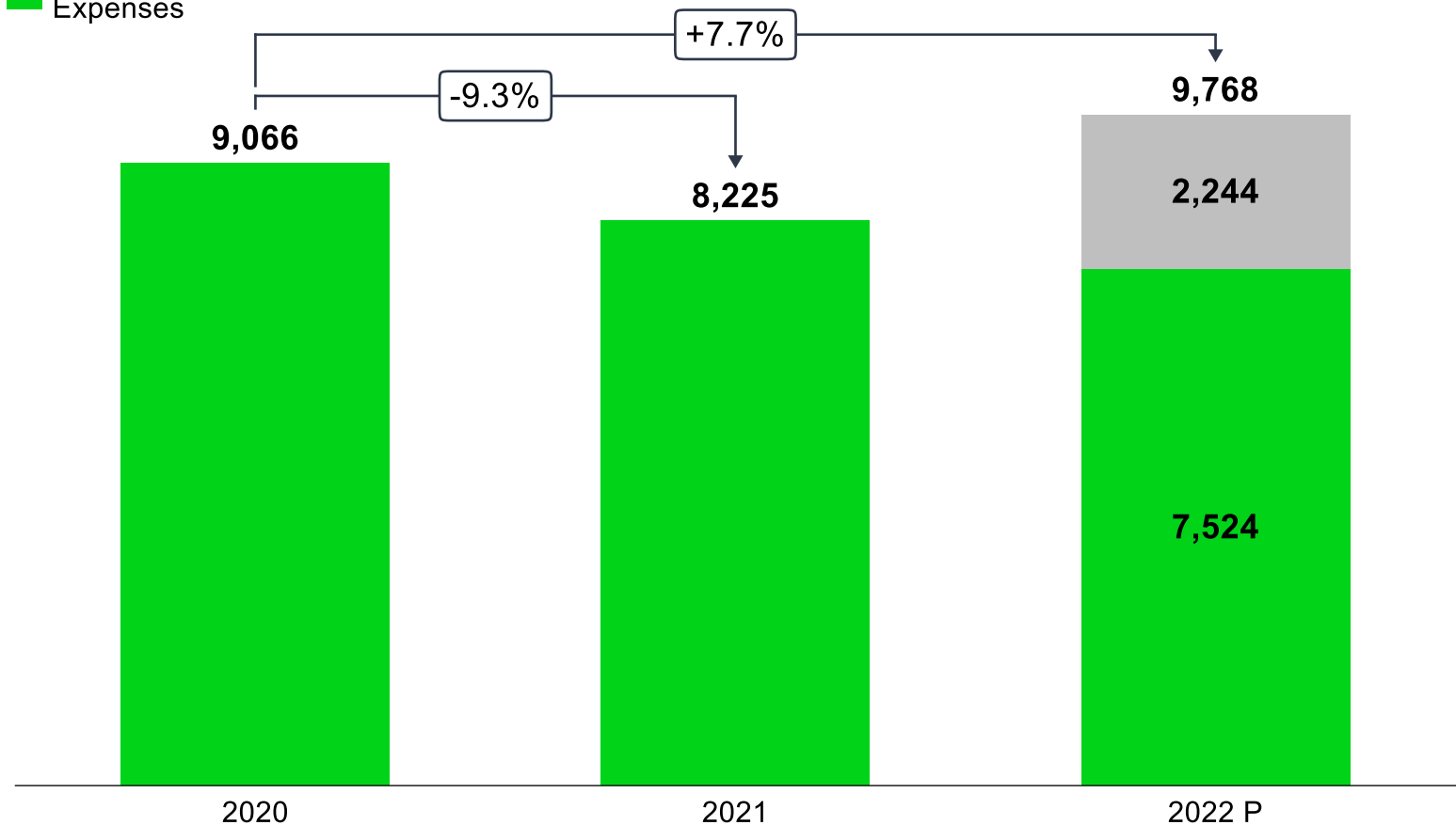
# Growth of Total Costs driven by new contract with V.tal beginning in Jun/2022. Excluding that effect, Opex reduced 17% between '20 and '22, despite inflation, due to efficiency initiatives

## Total Opex

R\$ million

V.tal

Other Expenses



Var. 20-22  
-17.0%

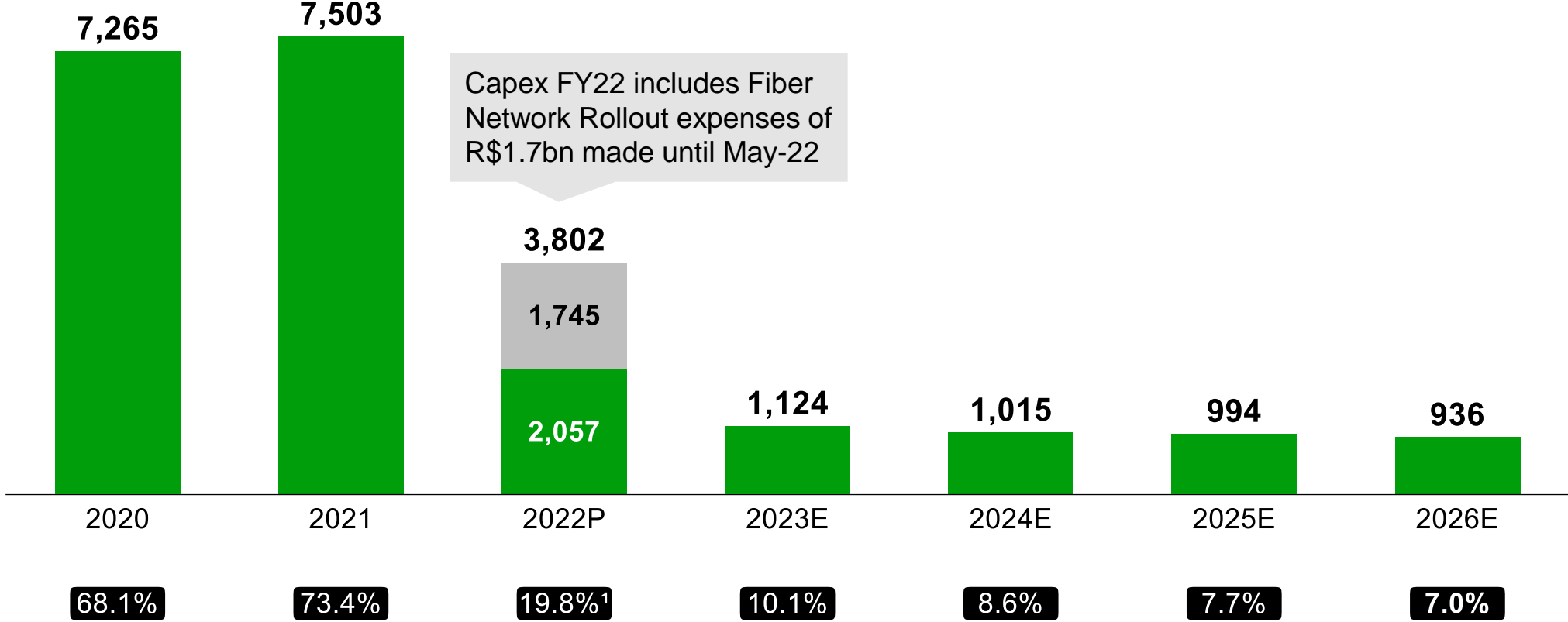
Despite accrued inflation in the period of +21.7%, meaning a gain of 38.7%

# An additional consequence of the V.tal deal in 2022 is the Capex and Capex/Sales alleviation, more than outbalancing Opex increase

**Capex Forecast**  
R\$ million

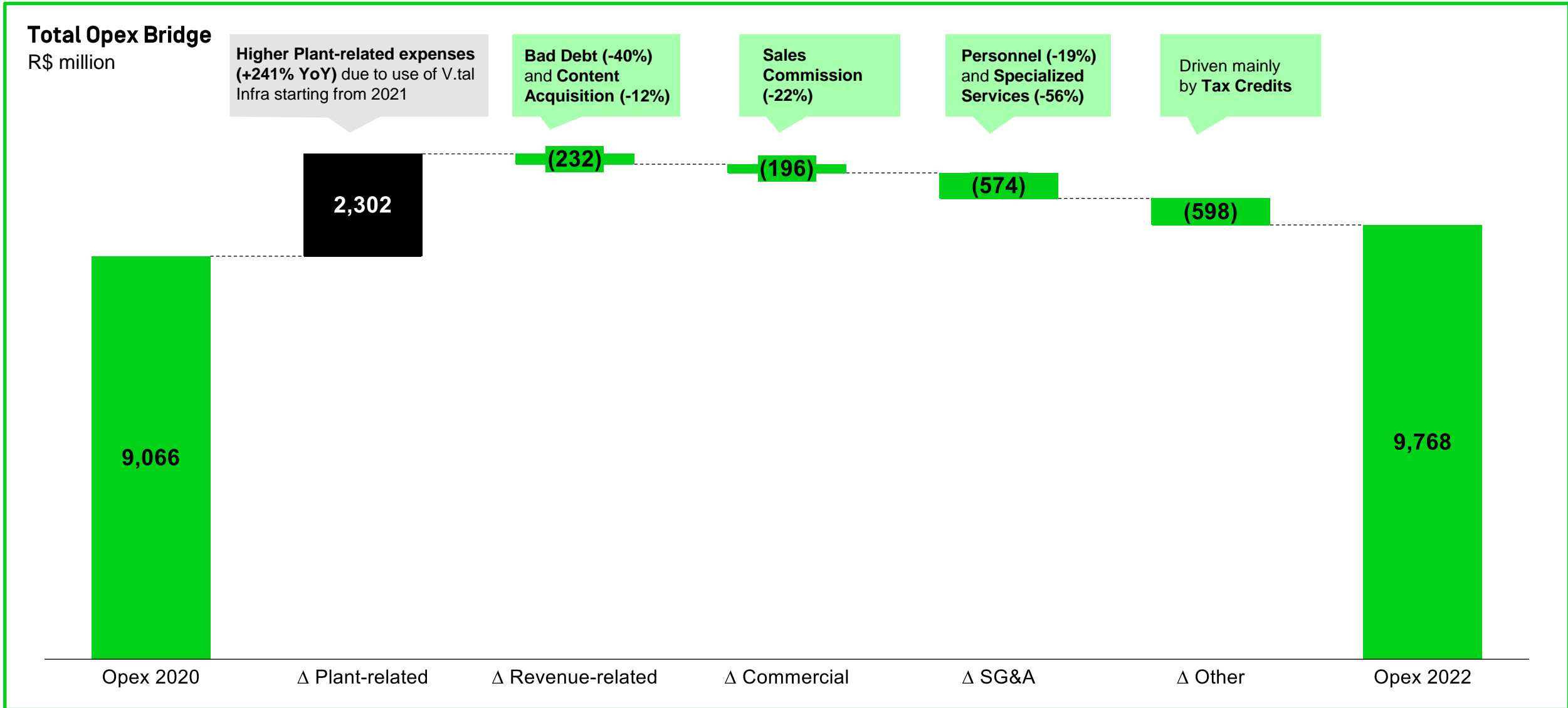
Consolidated capex figures, including Mobile and Infra UPIs

Capex FY22 includes Fiber Network Rollout expenses of R\$1.7bn made until May-22



1 – Capex/Sales excluding Fiber Network Rollout expenses. Including those expenses: 36.6%.

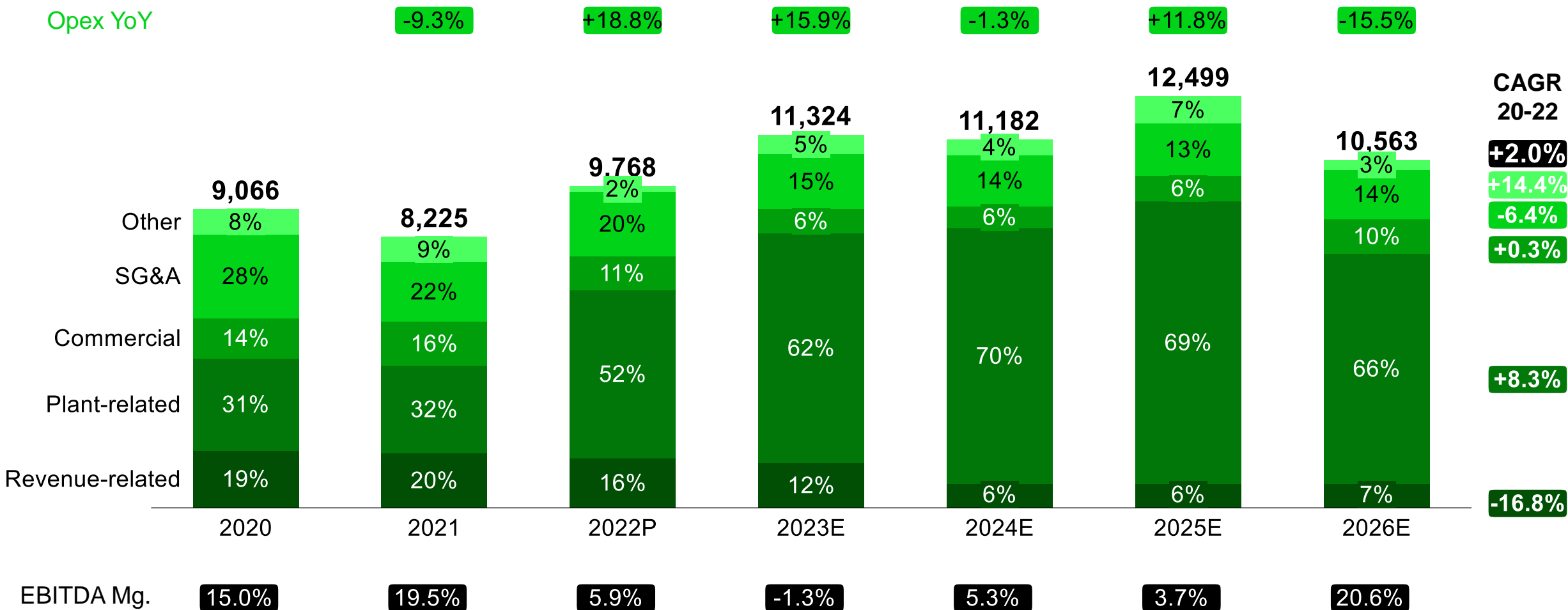
# Oi's Operating Expenses affected in 2022 by the use of V.tal Infra in the year, offset by savings in all other cost lines



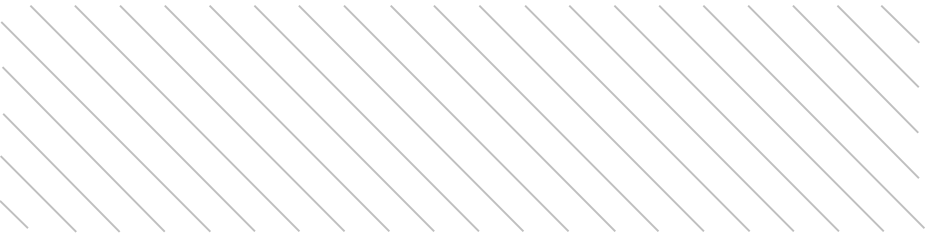
# Opex CAGR 2020-22 of 2%, driven by end of Fixed Concession in 2025, improved profitability in Fiber business and despite strong customer growth and inflation in the period

## Opex Forecast

R\$ million



# appendix



R\$ million	2020	2021	2022P	2023E	2024E	2025E	2026E	YoY%						CAGR
								20/21	21/22P	22P/23E	23E/24E	24E/25E	25E/26E	22P/26E
<b>Net Revenues</b>	<b>10,668</b>	<b>10,222</b>	<b>10,383</b>	<b>11,181</b>	<b>11,808</b>	<b>12,980</b>	<b>13,305</b>	<b>-4.2%</b>	<b>1.6%</b>	<b>7.7%</b>	<b>5.6%</b>	<b>9.9%</b>	<b>2.5%</b>	<b>6.4%</b>
<b>Total Expenses</b>	<b>9,066</b>	<b>8,225</b>	<b>9,768</b>	<b>11,324</b>	<b>11,182</b>	<b>12,499</b>	<b>10,563</b>	<b>-9.3%</b>	<b>18.8%</b>	<b>15.9%</b>	<b>-1.3%</b>	<b>11.8%</b>	<b>-15.5%</b>	<b>2.0%</b>
<b>Revenue-related</b>	<b>1,747</b>	<b>1,660</b>	<b>1,515</b>	<b>1,360</b>	<b>723</b>	<b>730</b>	<b>726</b>	<b>-5.0%</b>	<b>-8.7%</b>	<b>-10.2%</b>	<b>-46.8%</b>	<b>0.9%</b>	<b>-0.4%</b>	<b>-16.8%</b>
<b>Plant-related</b>	<b>2,788</b>	<b>2,653</b>	<b>5,089</b>	<b>6,986</b>	<b>7,776</b>	<b>8,580</b>	<b>6,994</b>	<b>-4.8%</b>	<b>91.9%</b>	<b>37.3%</b>	<b>11.3%</b>	<b>10.3%</b>	<b>-18.5%</b>	<b>8.3%</b>
<b>Commercial</b>	<b>1,232</b>	<b>1,348</b>	<b>1,036</b>	<b>726</b>	<b>656</b>	<b>778</b>	<b>1,047</b>	<b>9.5%</b>	<b>-23.1%</b>	<b>-29.9%</b>	<b>-9.6%</b>	<b>18.6%</b>	<b>34.6%</b>	<b>0.3%</b>
<b>SG&amp;A</b>	<b>2,531</b>	<b>1,801</b>	<b>1,957</b>	<b>1,674</b>	<b>1,560</b>	<b>1,586</b>	<b>1,503</b>	<b>-28.8%</b>	<b>8.7%</b>	<b>-14.5%</b>	<b>-6.8%</b>	<b>1.6%</b>	<b>-5.2%</b>	<b>-6.4%</b>
<b>Other</b>	<b>768</b>	<b>763</b>	<b>170</b>	<b>578</b>	<b>466</b>	<b>826</b>	<b>292</b>	<b>-0.7%</b>	<b>-77.6%</b>	<b>239.1%</b>	<b>-19.3%</b>	<b>77.1%</b>	<b>-64.6%</b>	<b>14.4%</b>
<b>EBITDA</b>	<b>1,602</b>	<b>1,997</b>	<b>615</b>	<b>-143</b>	<b>626</b>	<b>481</b>	<b>2,742</b>	<b>24.6%</b>	<b>-69.2%</b>	<b>-123.2%</b>	<b>-538.0%</b>	<b>-23.1%</b>	<b>470.0%</b>	<b>45.3%</b>
EBITDA Margin	15.0%	19.5%	5.9%	-1.3%	5.3%	3.7%	20.6%	4.5 p.p.	-13.6 p.p.	-7.2 p.p.	6.6 p.p.	-1.6 p.p.	16.9 p.p.	3.7 p.p. <sup>1</sup>



# Oi Soluções





# AGENDA\_

## MARKET

## VALUE PROPOSITION

## LOBS

LOB 0 – LEGACY

LOB 4 – MANAGED SERVICES

LOB 1 – UC&C

LOB 5 – CLOUD

LOB 2 – SDWAN

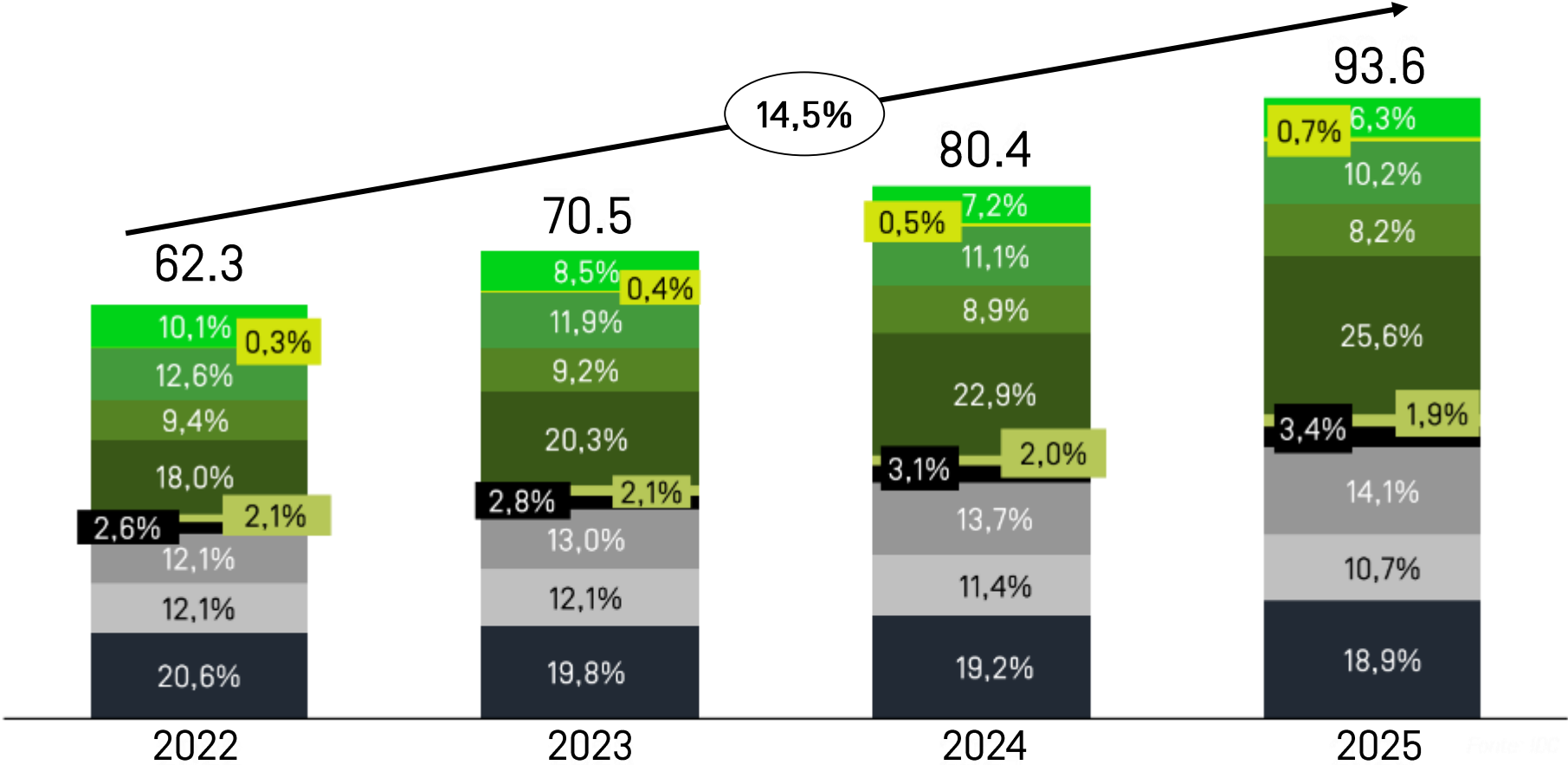
LOB 6 – DIGITAL PRODUCTS

LOB 3 – SECURITY



# B2B ICT market shows a double digit growth projection, particularly in IT

R\$ billion



- Connectivity
- Managed services
- CLOUD
- IoT
- BD&A
- SDWAN
- Security
- UC&C
- Applications Reselling
- Digital application



# AGENDA\_

## MARKET

## VALUE PROPOSITION

## LOBS

LOB 0 – LEGACY

---

LOB 1 – UC&C

---

LOB 2 – SDWAN

---

LOB 3 – SECURITY

LOB 4 – MANAGED SERVICES

---

LOB 5 – CLOUD

---

LOB 6 – DIGITAL PRODUCTS

# Our clients

**+60** <sup>K</sup> CLIENTS  
*CNPJ 8*



**PRIVATE  
CLIENTS**



**PUBLIC SECTOR  
CLIENTS**

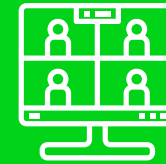
**+20**

**K CLIENTS  
ON SITE**  
*CNPJ 8*



**+40**

**K CLIENTS  
DIGITAL**  
*CNPJ 8*



**Oi Soluções value lies in its trusted relations with clients, in its capacity to understand client's mission critical needs, and in integrating and orchestrating digital solutions to fuel growth**

## WHY CUSTOMERS CHOOSE OI SOLUÇÕES

### RECOGNITION

Excellence in long term **trust relationships** with clients

Average contract time **3 to 5 years**

Customer experience at the center of all solutions

**High reliability** as a highlight of customers' perceptions, survey from may/22.

*Source: Instituto Expertise – Pesquisa de Satisfação de Clientes e Imagem 2022.*

### ROBUST ICT SOLUTIONS

Flexible and customized ICT solutions in 6 lines of businesses (LOBs) to cater to multiple market verticals – **One Stop Shop**

### PARTNER ECOSYSTEM

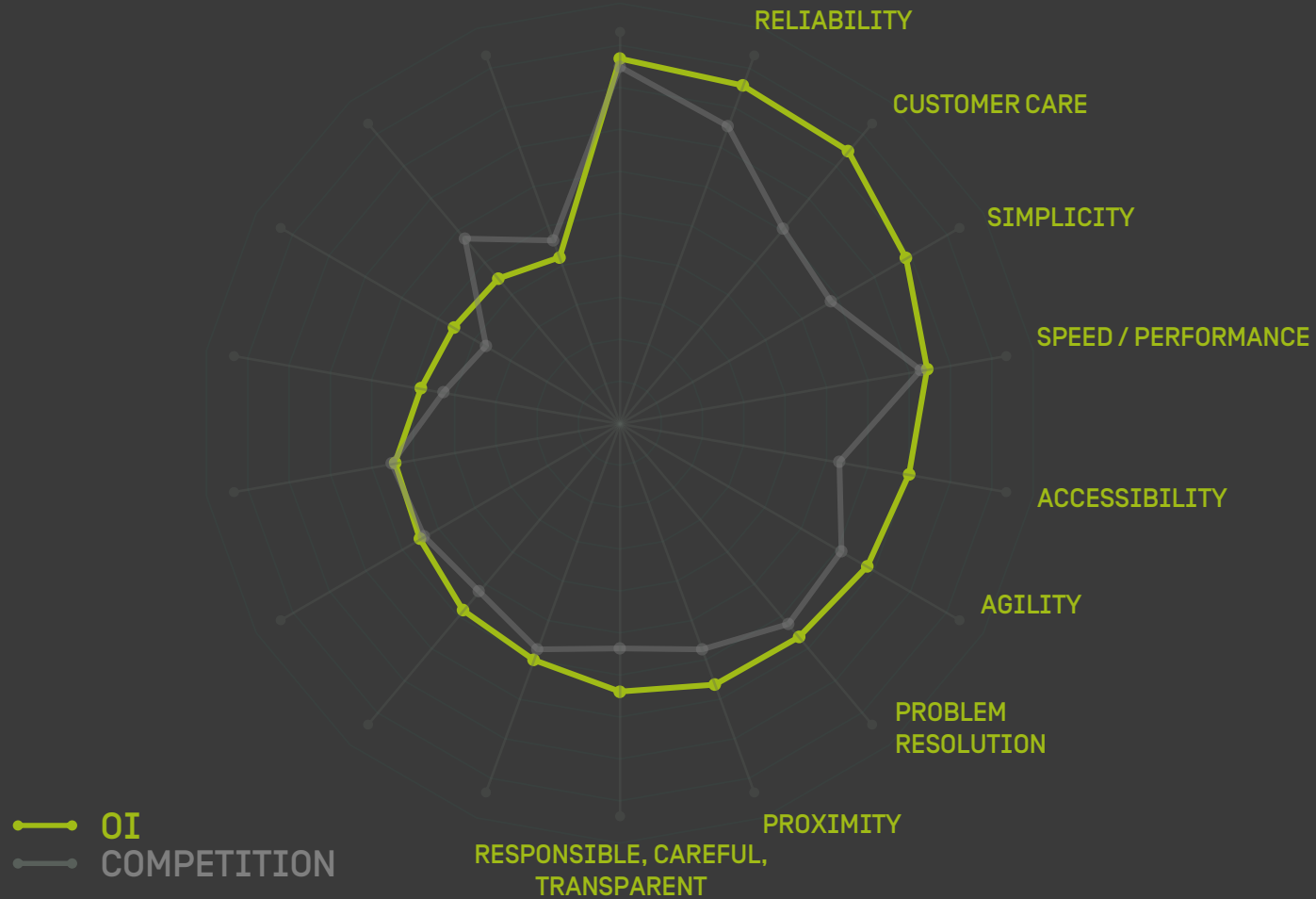
Ample partner ecosystem in all of the LOBs – approximately **70 technology and service partners**

**OI SOLUÇÕES TEAM**



# Oi Soluções relationship attributes are the best evaluated in our 2022 image survey

## IMAGE SURVEY



# Integration solutions

## IT PRODUCTS

- Network management (GIS WAN)
- IT Management (GIS TI)

### SPECIALIZED TECHNICAL SUPPORT

- NMC
- SOC
- GNOC

- Anti-DDoS
- Perimeter security (MSS)
- DNS Security
- Corporate VPN
- MFA
- Endpoint Security EDR
- Vulnerability analysis
- WAF
- CASB SAAS
- CASB IAAS
- SIEM
- Firewall Virtual
- Pentest
- Security assessment

- Oi Digital Management 360°
- Service Control Center
- Automação de Processo de Negócio

- Private, Public and Hybrid Cloud
- Edge Computing
- Virtualized Mainframe
- Cloud hub
- Consulting for Cloud migration

- Oi Maps
- Analytics
- Score for Delinquency prevention
- Geocoder Portal

- Video Monitoring Facility management

- Software factory
- Oi Labs

- UC&C
- SD-WAN
- Wi-Fi
- Firewall

- Cloud PBX
- Hub Omnichannel
- Contact Center
- Unified Communication
- Omnichannel
- Telepresence and Videoconference
- Tahto solutions

## TELECOM PRODUCTS

### SECURITY

### MANAGED SERVICES

### CLOUD

### BIG DATA

### IOT

### DIGITAL APPLICATIONS

### HARDWARE

# ICT

### FIXED

- SIP
- 4004, 0800, 0500, 0300
- Tridigito

### DATA

- SD-WAN
- VPN

### INTERNET

- Wi-Fi
- Internet

### UC & C (UNIFIED COMMUNICATION & COLABORATION)

# Ecosystem of partners

## COLLABORATIVE, COMPREHENSIVE, DIVERSE, TECH, ICT



## AWARDS AND RECOGNITION

### CISCO PARTNER SUMMIT



Managed Services

### ARUBA ATMOSPHERE



Service Provider



### ÉPOCA NEGÓCIOS

1st place in Innovation



### BROADBAND WORD FORUM

Case Oi Fibra



### FORTINET 2020

Latam Partner of the Year



### VALOR INOVAÇÃO

100 + Most innovative companies

### FORTINET PARTNER LATAM



Best MSS Provider



# Value chain



# AGENDA\_

MARKET

VALUE PROPOSITION

## LOBS

LOB 0 – LEGACY

LOB 4 – MANAGED SERVICES

LOB 1 – UC&C

LOB 5 – CLOUD

LOB 2 – SDWAN

LOB 6 – DIGITAL PRODUCTS

LOB 3 – SECURITY



# LOB 0: Legacy

## STRATEGY

### FIXED VOICE LEGACY BASE SUBSTITUTION

FIXED TELEPHONY SUBSTITUTION BY FIXA UC&C AND OMNICHANNEL SOLUTIONS , BETTER TECHNOLOGY AND VALUE FOR CLIENTS AND OI

### DATA MIGRATION

INTERNET AND DATA NETWORK MODERNIZATION, AGGREGATING ADDITIONAL SOLUTIONS SUCH AS CYBERSECURITY, SD-WAN, AND OTHERS

## IT SOLUTIONS

INCREASE BASE REVENUES WITH IT SOLUTIONS WHEN MIGRATING CUSTOMERS FROM LEGACY TECHNOLOGY

## # CLIENTS

~31 K

CNPJ 8

# LOB 1: UC&C | Unified Communications & Collaboration solutions, with a complete portfolio for all market segments, complemented by an omnichannel messaging hub portfolio for digital interactions

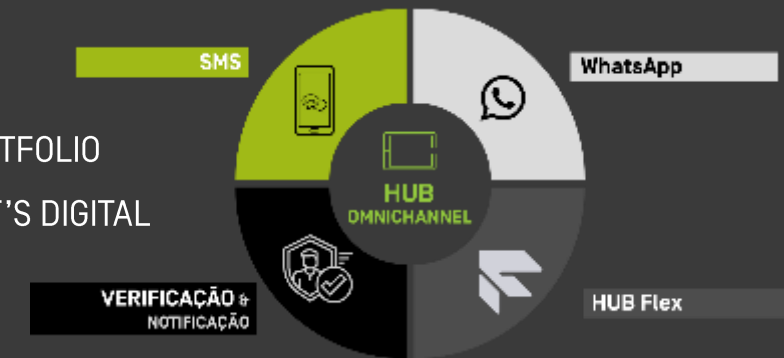
## STRATEGY

### UC&C – UNIFIED COMMUNICATIONS / COLLABORATION

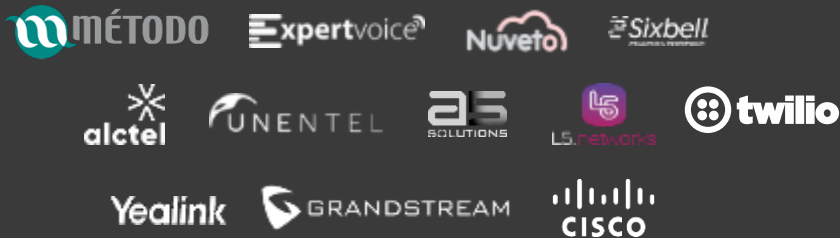
- ▶ UC&C AND CONTACT CENTER PORTFOLIO SOLUTIONS FOR THE ENTERPRISE MARKET, FULLY INTEGRATED WITH FIXED TELEPHONY
- ▶ FIXED TELEPHONY EVOLUTION
- ▶ ECOSYSTEM PLATFORM CONSTRUCTION PROVIDED TO ALL SEGMENTS / NICHES

### HUB OMNICHANNEL

- ▶ OMNICHANNEL MESSAGING PORTFOLIO
- ▶ TOTALLY INTEGRATED TO CLIENT'S DIGITAL PLATFORMS



## 19 PARTNERS



## CERTIFICATIONS

**+500%**

GROWTH YTD  
22 x 20

## # CLIENTS

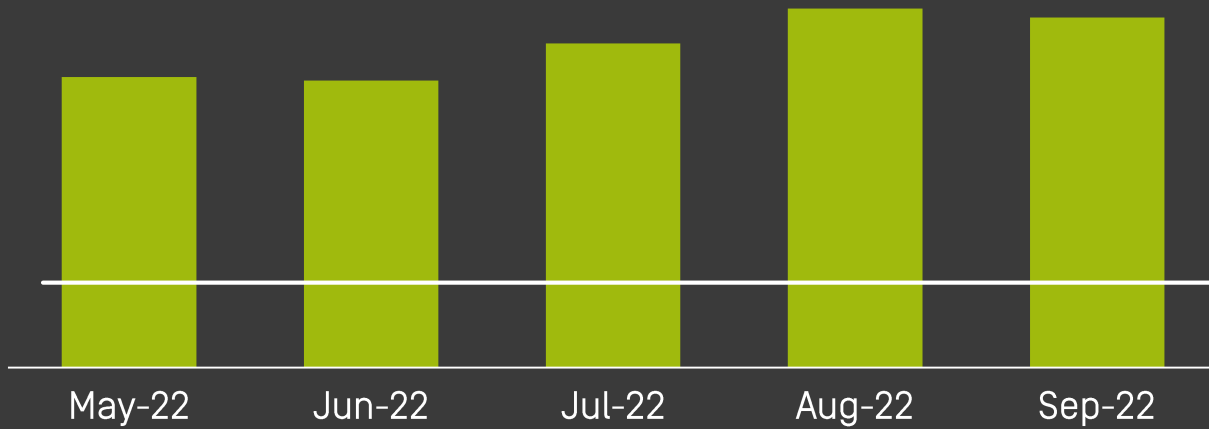
**~24 K**

CNPJ 8

## RECURRING SALES FUNNEL

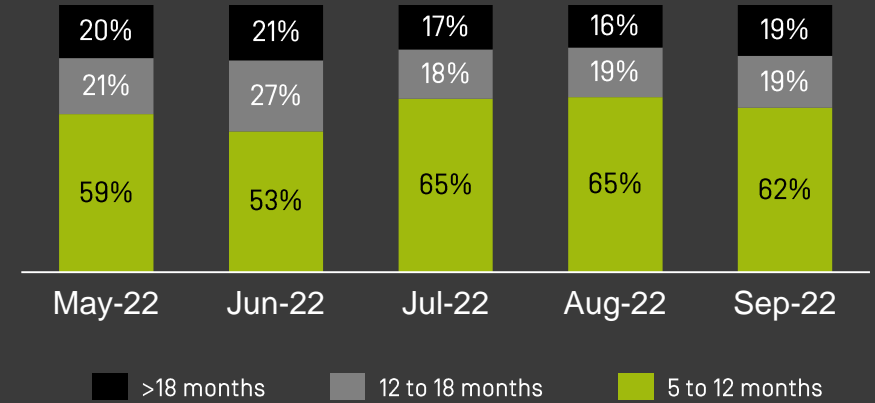
R\$ MM MTHLY

TCV [Total Contract Value]:  
R\$ 1.1 bn



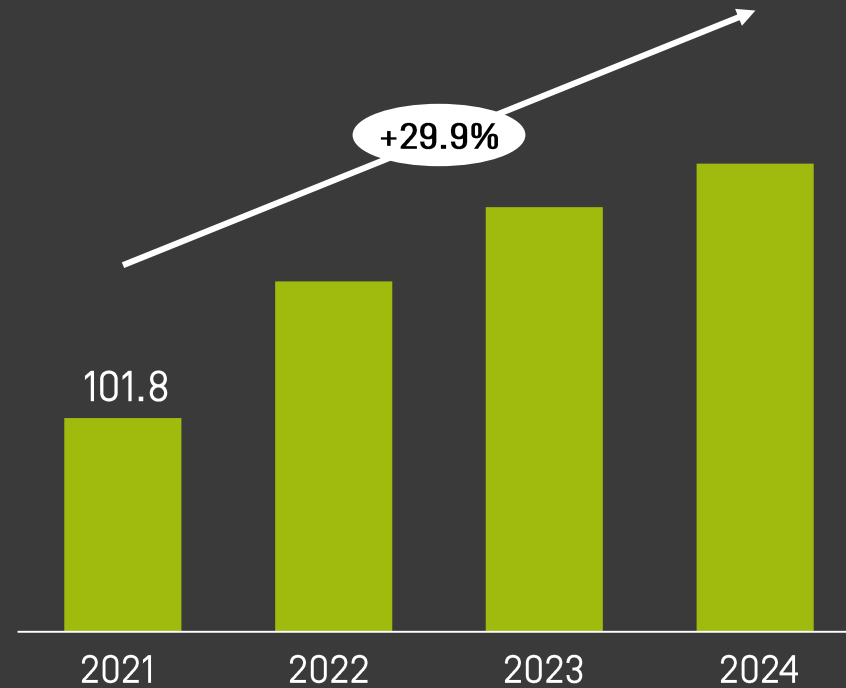
**33%**  
AVG  
CONVERSION  
RATE

## FUNNEL AGING



## PROJECTED RECURRING REVENUE

R\$ MM



# LOB 2: SDWAN | Fiber internet and managed network solutions, with the largest sd-wan portfolio in the market, together with Wifi6 and managed Wi-Fi solutions

## STRATEGY

### SDWAN

- ▶ LARGEST SDWAN NETWORK ECOSYSTEM, WITH TECHNOLOGY AGNOSTIC SDWAN PLATFORM AND VIRTUAL CPES
- ▶ MPLS TRANSITION WITH VERY ATTRACTIVE COSTS AND A WIDE ARRAY OF TECHNOLOGY OPTIONS

### WIFI

- ▶ SMART WIFI EVOLUTION WITH WIFI6X ANALYTICS

## 26 PARTNERS



## CERTIFICATIONS

**+178%**

GROWTH YTD 22 x 20

## # CLIENTS

**~8 K**

CNPJ 8

## PORTFOLIO SDWAN



**PORTAL 4.0**

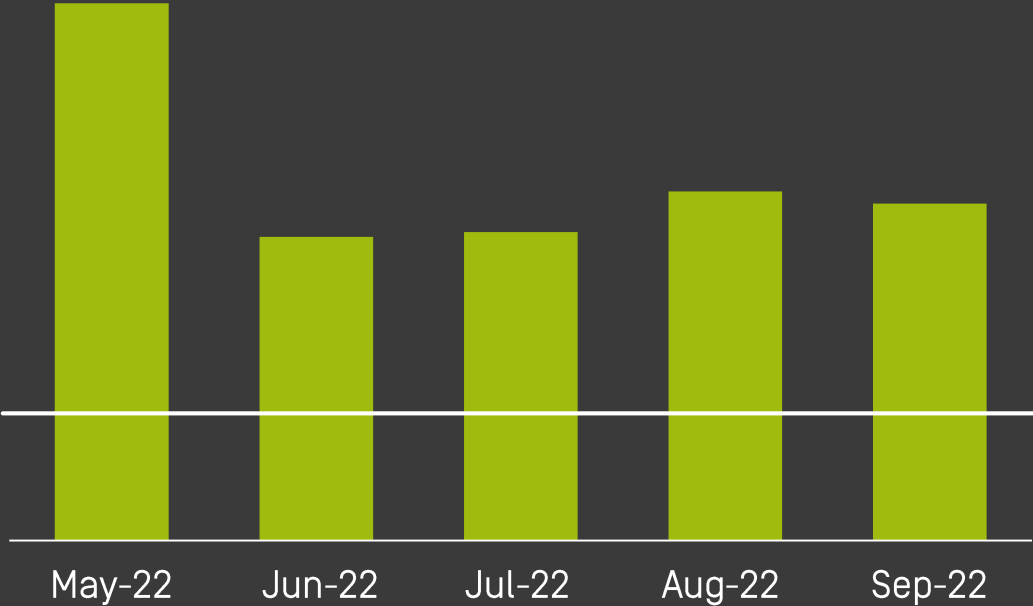
- ARMAZENAR LOG POR 60 MESES
- AUTENTICAÇÃO LOGIN SOCIAL
- SEGURANÇA
- Aderente a LGPD e Marco Civil
- Mapa de Calor (Segmentações)
- Gestão do Usuário
- DASHBOARD EM TEMPO REAL
- DADOS DEMOGRÁFICOS
- GESTÃO DE VOUCHERS
- MÓDULO DE CAMPANHA
- BUSINESS ANALYTICS
- LOCATION ANALYTICS
- INTEGRAÇÃO COM AD (API)
- PERSONALIZAÇÃO DE PORTAL
- EXPORTAR DADOS EXCEL

# LOB 2: SDWAN

## RECURRING SALES FUNNEL

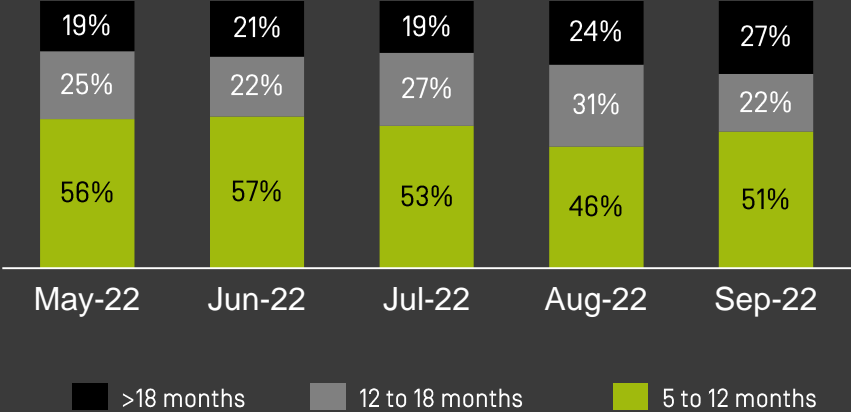
R\$ MM MONTHLY

TCV [Total Contract Value]:  
R\$ 2.6 bn



**45%**  
AVG  
CONVERSION  
RATE

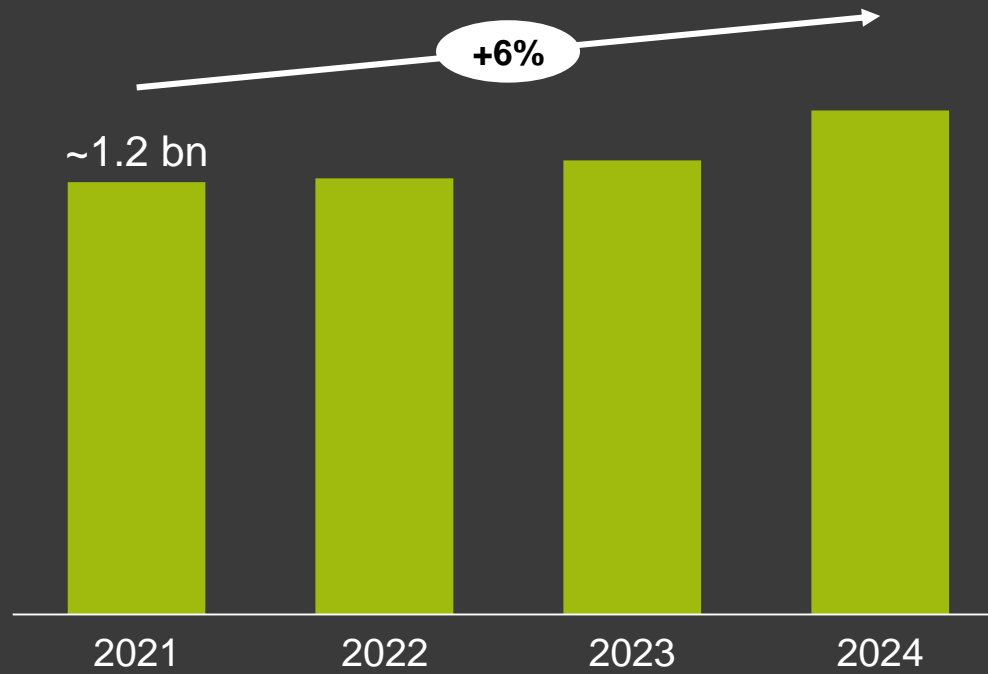
## FUNNEL AGING





## RECURRING CONTRACTED REVENUE

R\$ MM



# LOB 3: Security | Complete security solutions portfolio in all layers, from edge, to intrusion detection, to application layers, with 24x7 SOC for online handling of incident mitigation

## STRATEGY

### NETWORK AND USER PROTECTION

- ▶ EVOLUTION OF PORTFOLIO FOR DLP AND PASSWORD VAULTS WITH **INCIDENT CORRELATION**

### PREVENTION

- ▶ EVOLUTION OF PREVENTION SOLUTIONS WITH NATIVE INTERNET LINKS

## 19 PARTNERS



## CERTIFICATIONS

**+166%**

GROWTH YTD  
22 x 20

## # CLIENTS

**~800**

CNPJ 8

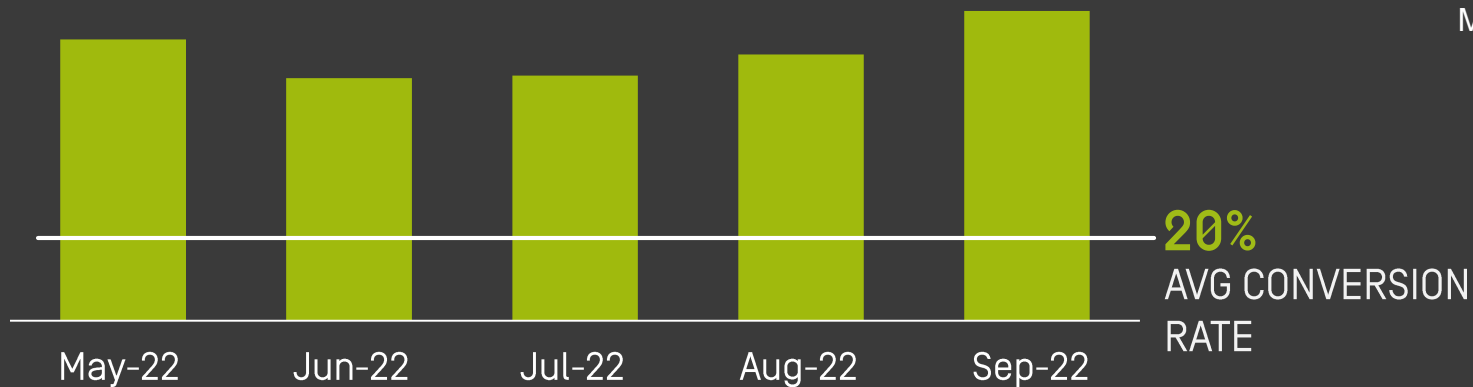


# LOB 3: Security

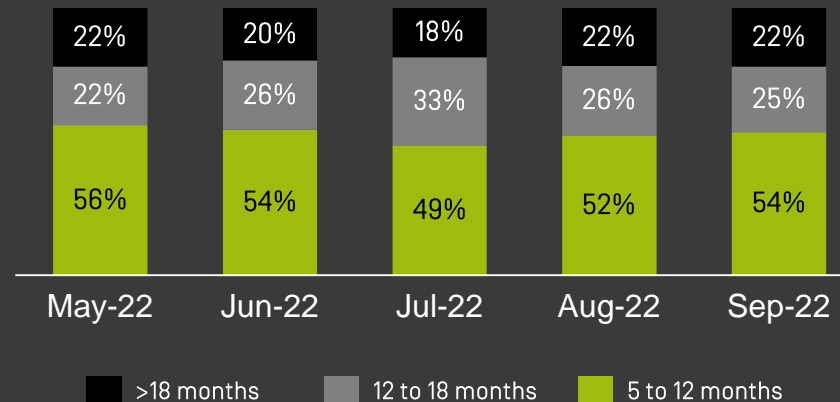
## RECURRING SALES REVENUE

R\$ MM MONTHLY

TCV [Total Contract Value]:  
**R\$ 627 MM**

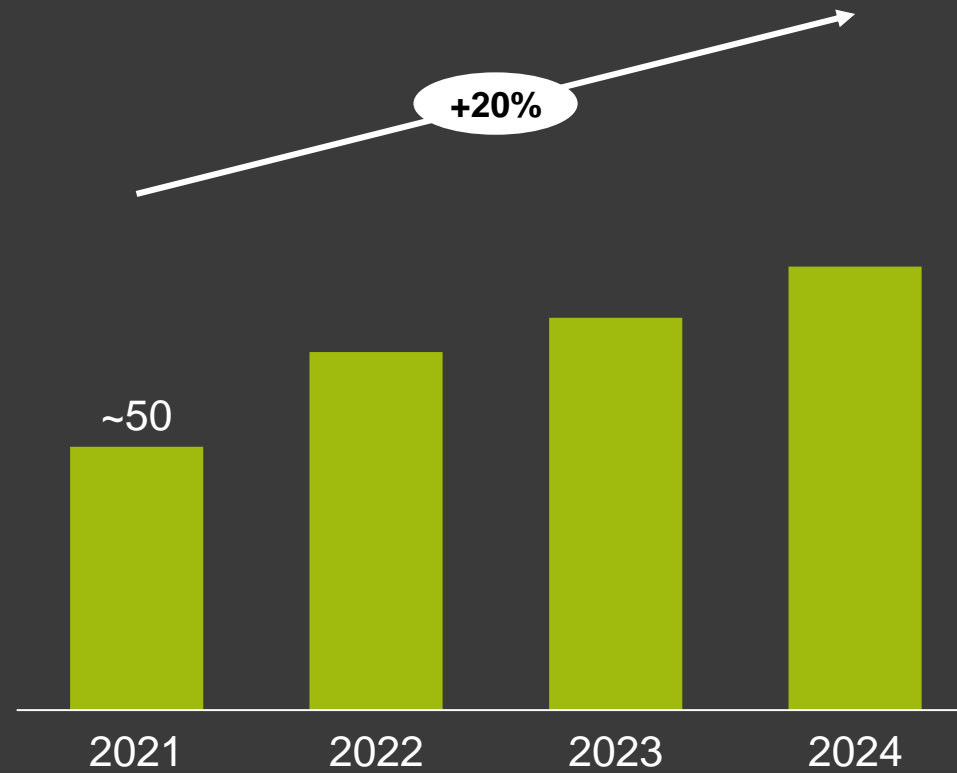


## FUNNEL AGING



## PROJECTED RECURRING REVENUE

R\$ MM



# LOB 4: Managed Services | Intelligent management of all service solutions, from concept to delivery, professional services, management outsourcing, dedicated NOC and SOC, with the GIS360 portfolio

## STRATEGY

- GIS WAN & GIS+
- GIS IT
- GIS 360 & INTELLIGENT OUTSOURCING

## PARTNER

**NAVA**

Technology for business

## CERTIFICATIONS

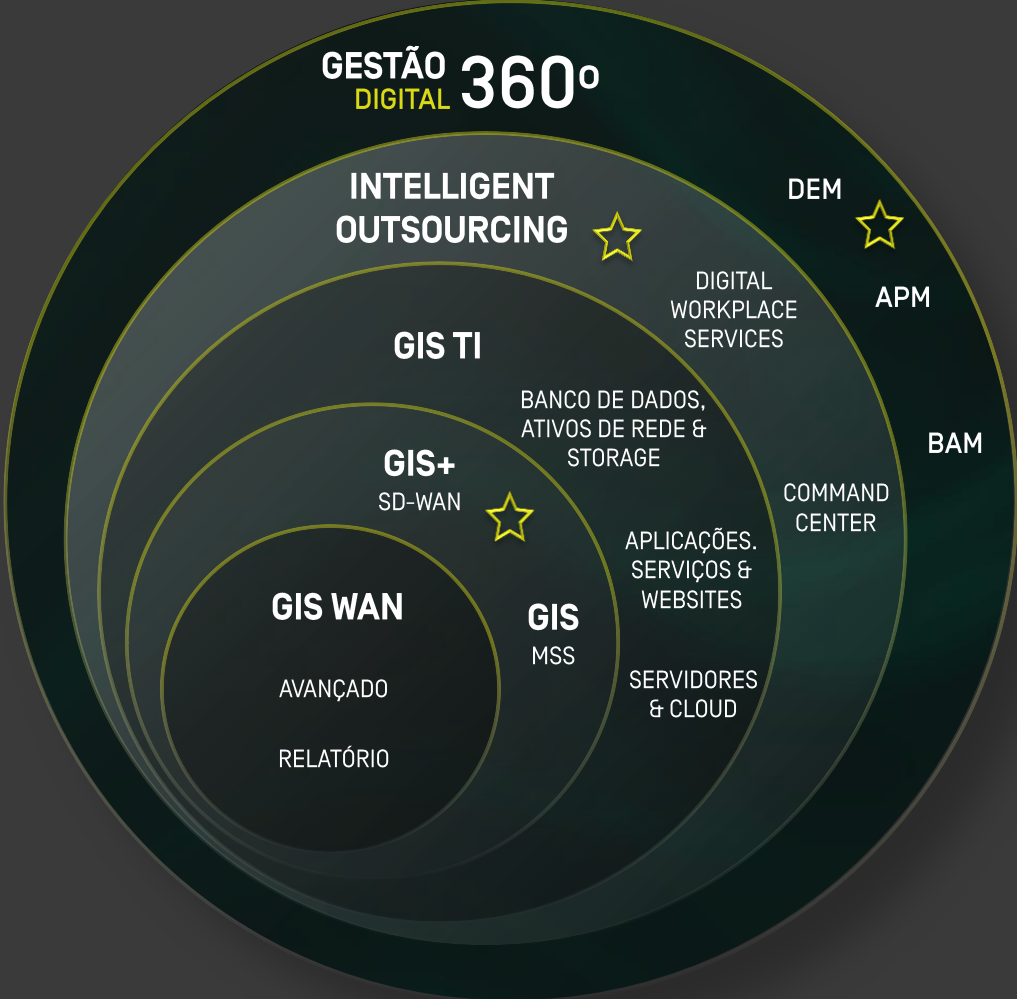
**+375%**

GROWTH YTD  
22 x 20

## # CLIENTS

CNPJ 8

**~1.7 K**

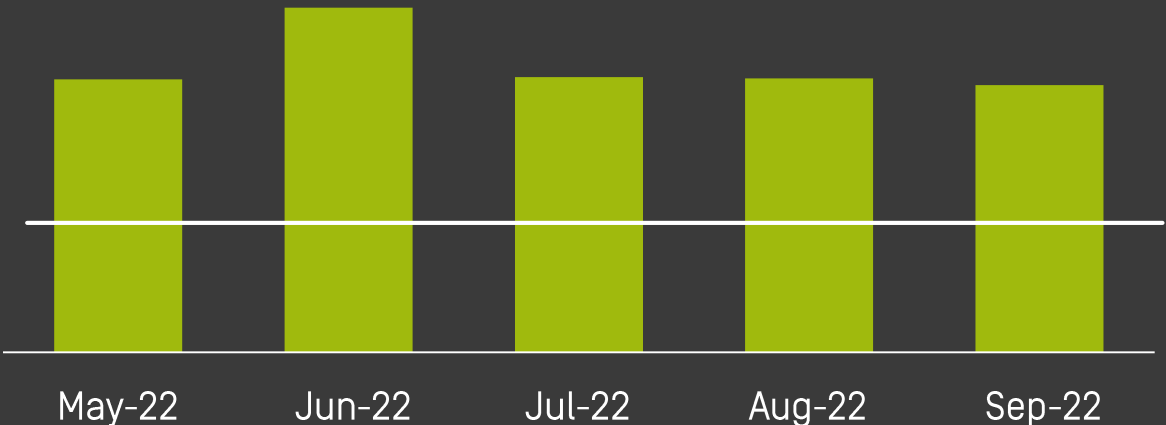


# LOB 4: Managed Services

## RECURRING SALES FUNNEL

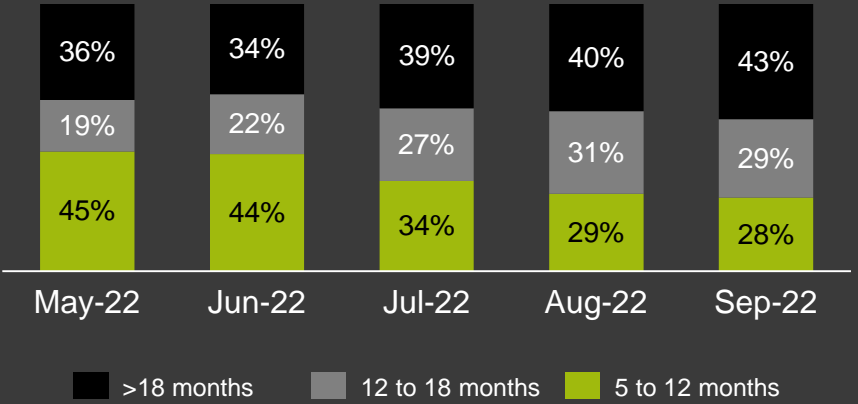
R\$ MM MONTHLY

TCV (Total Contract Value):  
**R\$ 359MM**



**54%**  
AVG  
CONVERSION  
RATE

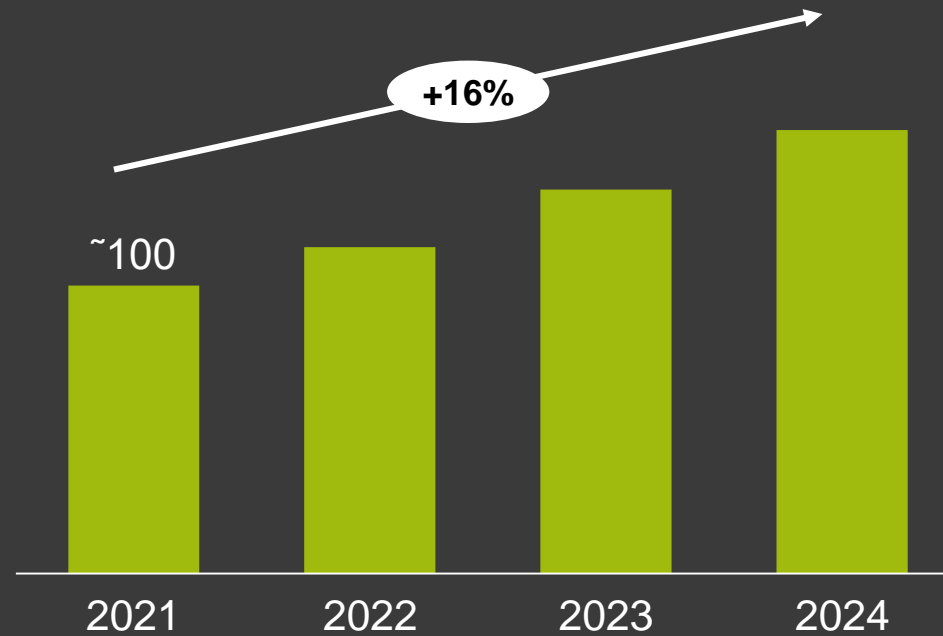
## AGING FUNNEL



## LOB 4: Managed Services

### PROJECTED RECURRING REVENUE

R\$ MM



# LOB 5: Cloud | Complete portfolio of cloud solutions, including infrastructure, professional services & multicloud, through multiple market leader partnerships

## STRATEGY

### CLLOUD PARTNER SOLUTIONS

- ▶ CLOUD PARTNERSHIPS: Infrastructure, Platforms and *Softwares*
- ▶ CONTINUED CERTIFICATION PROGRAM OF ALL SALESFORCE

### PROFESSIONAL SERVICES

- ▶ JOURNEY TO CLOUD
- ▶ CERTIFIED TECHNICAL TEAM
- ▶ CLOUD SHARED SERVICES

### MULTICLOUD

- ▶ MULTICLOUD PLATFORMS
- ▶ MARKET LEADERS INTEGRATION
- ▶ ADAPTED TO GOVERNMENT BID REQUIREMENTS
- ▶ *OBSERVABILITY AND ECONOMICS*

07 PARTNERS



CERTIFICATIONS

+325%

GROWTH YTD 22 x 20

+ 200 HOURS  
of training

# CLIENTS

~85

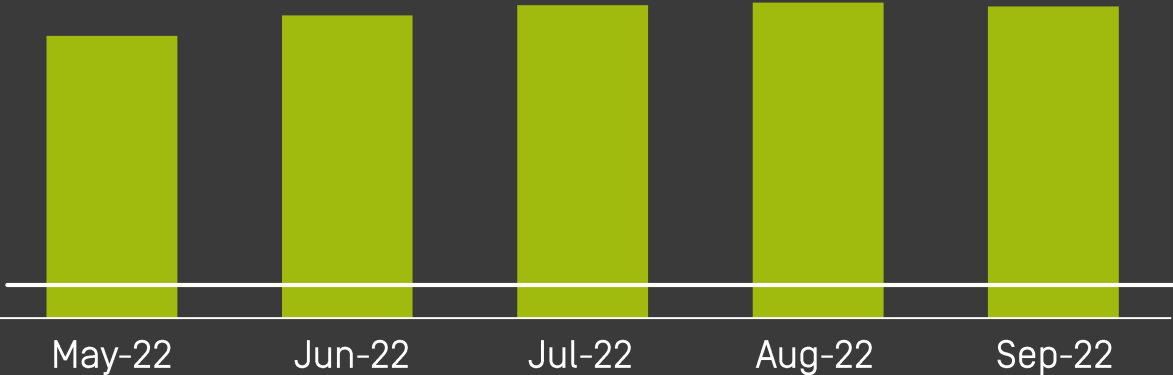
CNPJ 8



### RECURRING SALES FUNNEL

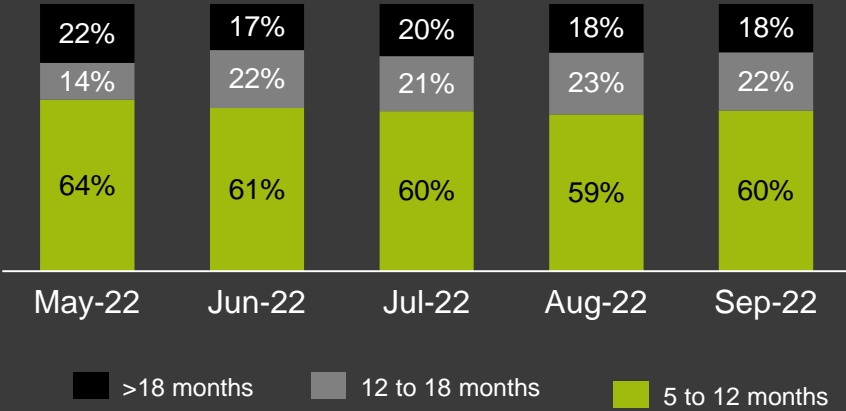
R\$ MM MONTHLY

TCV (Total Contract Value):  
**R\$ 391MM**



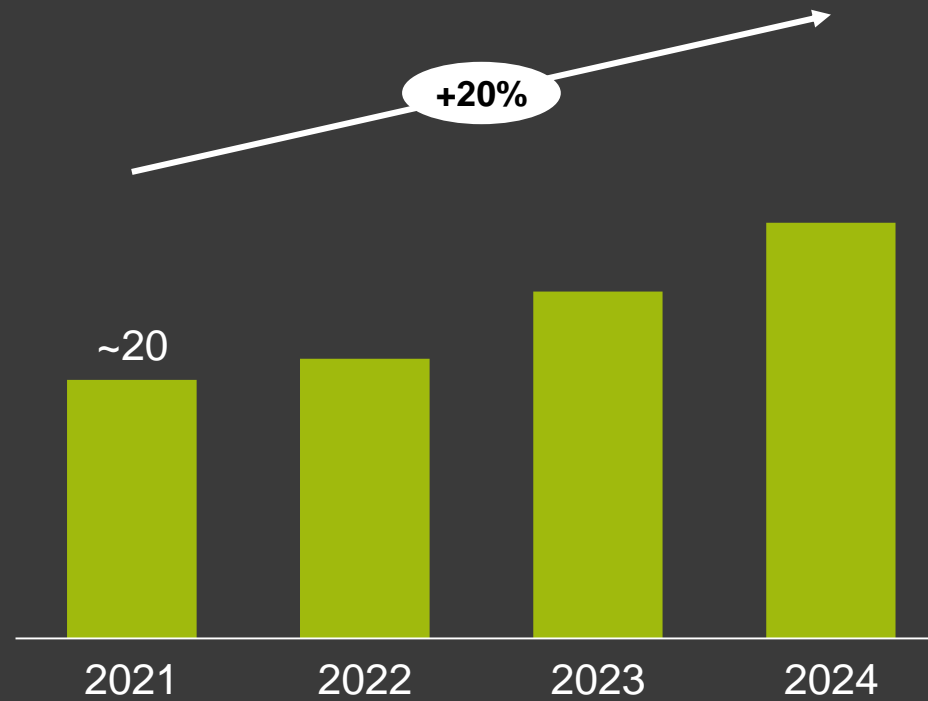
**3%**  
AVG  
CONVERSION  
RATE

### FUNNEL AGING



## PROJECTED RECURRING REVENUE

R\$ MM



# LOB 6: Digital Products | Partner ecosystem for digital solutions of video monitoring, IoT, big data / analytics & software factories, sustaining client's digital transformation

## STRATEGY

### VIDEO MONITORING & IOT

- ▶ STRUCTURING THE ECOSYSTEM OF PARTNERSHIPS TO OFFER INTEGRATED SOLUTIONS FOR VIDEO MONITORING & IOT, MEETING THE MOST DIVERSE MARKET DEMANDS
- ▶ INTEGRATED WITH ANALYTICS AND ARTIFICIAL INTELLIGENCE SOLUTIONS FOR SECURITY SOLUTIONS & AUTOMATION OF BUSINESS PROCESSES
- ▶ INTEGRATION & ORCHESTRATION OF SEVERAL SUPPLIERS

### BIG DATA & ANALITYCS

- ▶ DATA MONETIZATION WITH SCORE SOLUTIONS (CREDIT, FRAUD, BEST TIME TO DELIVERY ETC) & ANALITYCS (COMMERCIAL POINT RECOMMENDATION, URBAN MOBILITY, TOURISM, ETC)
- ▶ MARKETING OF MAPS (ADDRESS POINTS)
- ▶ DATA SUPERMARKET. INTEGRATED SOLUTIONS WITH CUSTOMERS' DIGITAL TOOLS (APIs)

### SOFTWARE FACTORY

- ▶ OFFER OF SQUADS FOR SOFTWARE DEVELOPMENT
- ▶ FACTORY MODEL & MAN HOUR
- ▶ TEAM MANAGEMENT AND SUPPORT WITH METHODOLOGY [EXPERTISE OI SOLUÇÕES]

## 7 PARTNERS

**HIKVISION**



**it tecno it**

**NAVA** | Technology for business

**intelbras**

## CERTIFICATIONS # CLIENTS

**+200%**

Growth YTD 22  
x 20

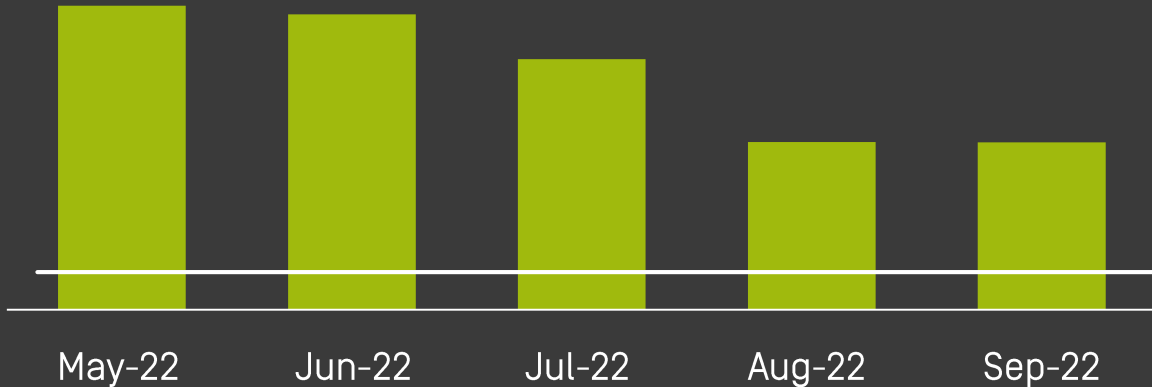
**~77**

CNPJ 8

# LOB 6: Digital Products

## RECURRING SALES FUNNEL

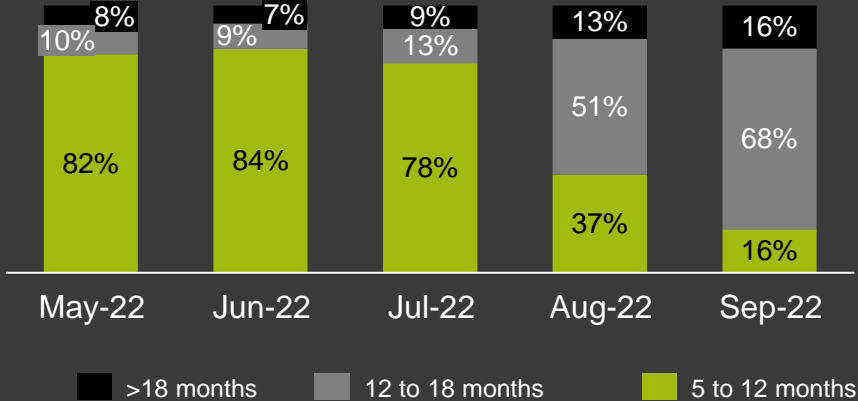
R\$ MM MONTHLY



TCV (Total Contract Value):  
**R\$ 1.0 bn**

**19%**  
 AVG  
 CONVERSION  
 RATE

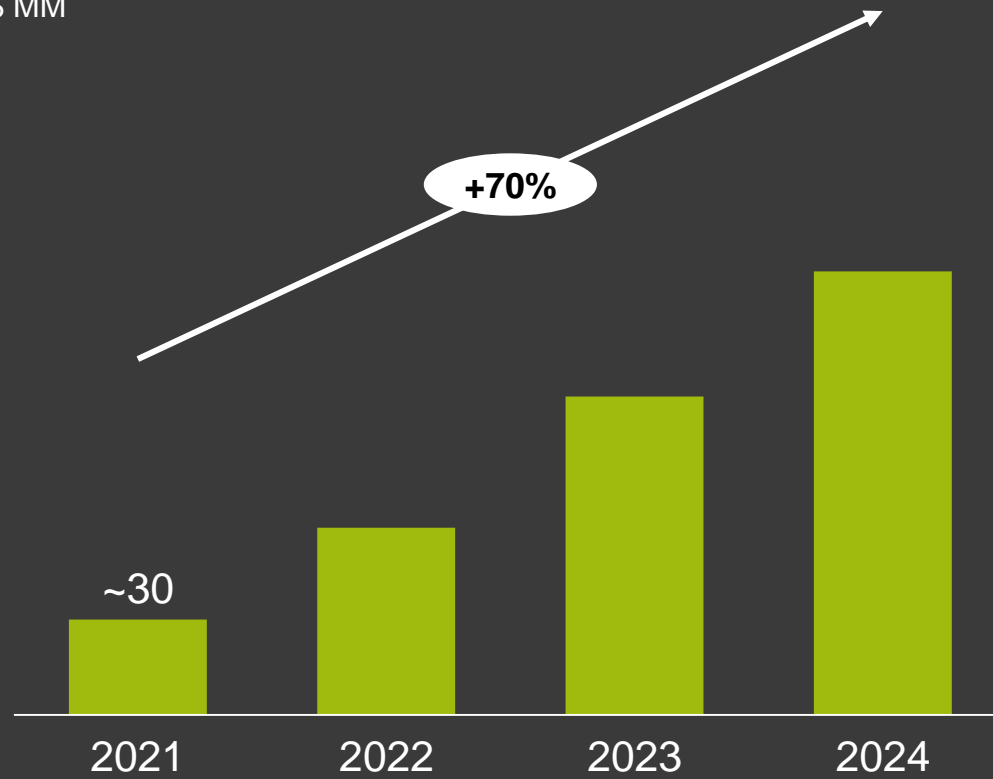
## FUNNEL AGING



## LOB 6: Digital Products

### PROJECTED RECURRING REVENUE

R\$ MM



# Reseller | Equipment resale allows for aggressive discounting with equipment providers, and brings flexibility on the Capex to Opex migration on customer projects

## STRATEGY

- ▶ OFFER OF AN ARRAY OF MARKET LEADERS AS EQUIPMENT PARTNERS

### 15 PARTNERS



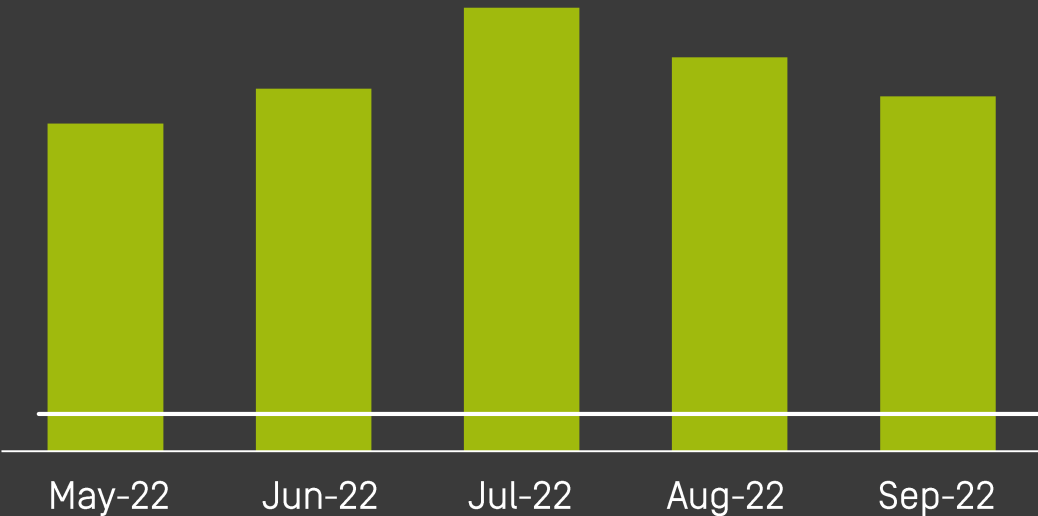
### # CLIENTS

06

# Reseller

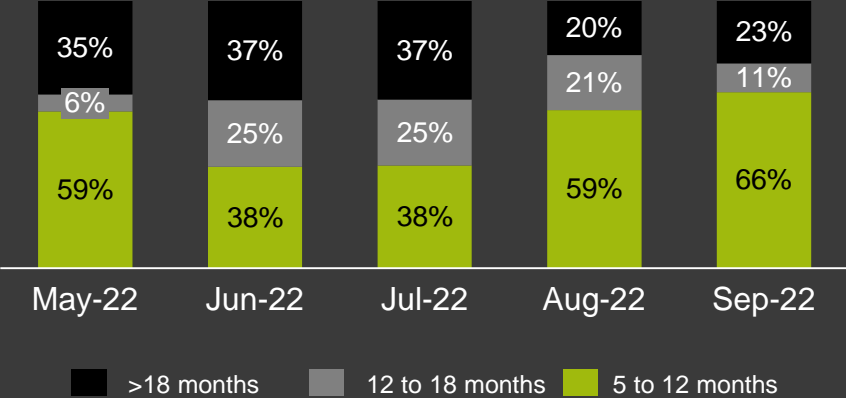
## ONE SHOT SALES FUNNEL

R\$ MM MONTHLY



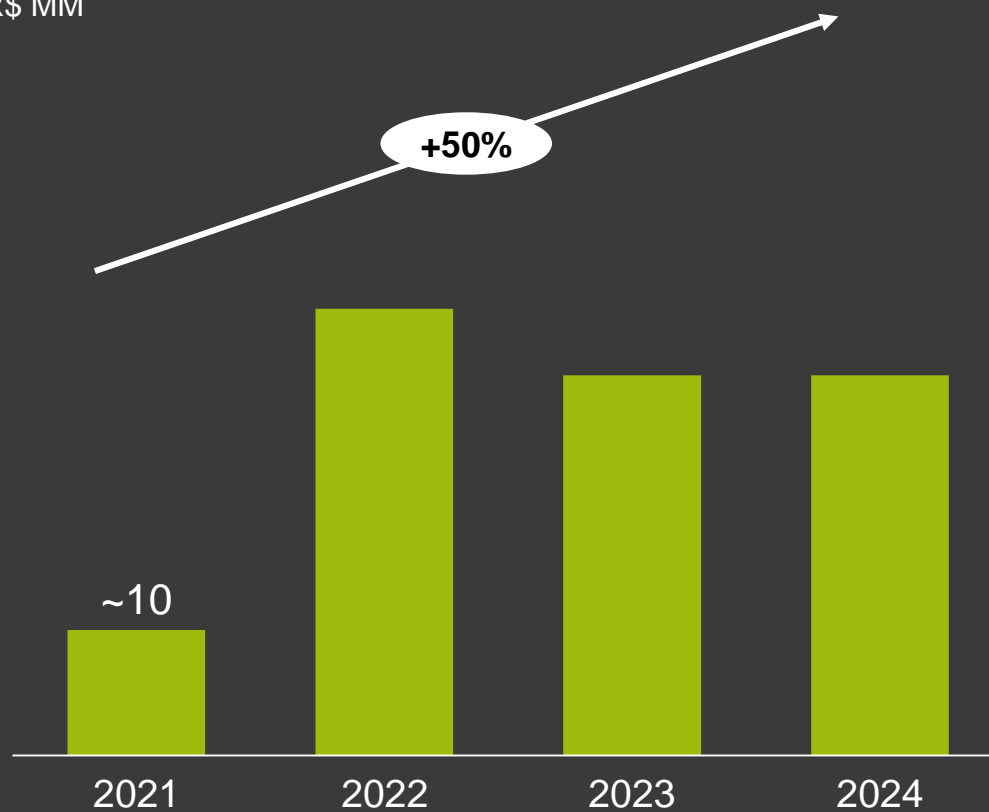
**10%**  
AVG  
CONVERSION  
RATE

## FUNNEL AGING



## PROJECTED REVENUE

R\$ MM





# Tower Contracts



# Tower contracts

R\$ million

Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Take or Pay (Onerous Liability)	407	429	444	307	317	326	336	346	356	367	263	133	137

Year	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
Take or Pay (Onerous Liability)	142	146	150	155	159	164	169	174	179	185	190	196	184

<b>From 23-48</b>	<b>6,362</b>
<b>From 26-48</b>	<b>5,082</b>