



Announcement | Lisbon | 18 October 2022

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) 33.3.0029520-8

Publicly-Held Company

MATERIAL FACT

Reverse Stock Split Proposal

Oi S.A. – In Judicial Reorganization (“Oi” or “Company”, B3: OIBR3, OIBR4; OTC: OIBZQ, OIBRQ), pursuant to article 157, paragraph 4, of Law no. 6,404/76 (the “Brazilian Corporation Law”), and CVM Resolution no. 44/2021, and further to the Material Fact dated August 29, 2022, hereby informs its shareholders and the market in general that the Board of Directors approved, in this date, the submission of a reverse split proposal of all common and preferred shares issued by the Company to the Company's Extraordinary General Meeting (“EGM”), to be called for November 18, 2022, under the terms described below.

1. Purpose

The reverse split proposal has as main objective to adjust the price of the shares issued by the Company to an amount equal to or greater than R\$ 1.00 per unit, in compliance with item 5.2.f of the Listing Issuers and Admission to Trading of Securities Rules (“Rules”) and items 5.1.2 (vi) and 5.2 of the Issuer's Manual (“Manual”) of B3 S.A. – Brasil, Bolsa, Balcão (“B3”).

In addition to conform the Company's share prices to the aforementioned Rules and Manual, the implementation of the reverse split will enable a healthier and fairer secondary market, an objective pursued by the B3 rule itself.

The reverse split will also allow the Company's shares to meet one of the criteria for being eligible to be included in market indices, such as the Bovespa index.

2. Grouping ratio

The Company's management proposes to its shareholders the reverse split of all its shares, common and preferred, in a 50:1 ratio, so that each lot of 50 (fifty) shares of each class is grouped into a single share of the same class.

The shares issued by the Company that represent American Depositary Shares ("ADSs") will not be subject to the reverse split, so that the ratio of the ADSs with the local shares will be adjusted in order to maintain the total number of ADSs. As a result, each common share will represent 10 (ten) ON ADSs (1 ON : 10 ON ADSs), while one preferred share will be equivalent to 50 (fifty) PN ADSs (1 PN : 50 PN ADSs).

3. Company's share capital

If the reverse stock split is approved by the EGM, the Company's share capital, of 6,603,037,459 shares, will be divided into 132,060,748 shares, of which 128,906,204 are common, nominative and with no par value at issuance and 3,154,544 are preferred shares, nominative and without par value of issuance.

4. Free position adjustment deadline

If the proposal for a reverse split is approved by EGM, a period of not less than 30 days will be granted for shareholders holding common and/or preferred shares who wish to adjust their share positions, by class, in multiple lots of 50 shares, through negotiation on B3, in order to remain part of the Company's shareholding structure after the reverse split takes place ("Free Position Adjustment Deadline").

5. Operation conclusion

The Company's shares will be traded in the ratio resulting from the reverse split as of the first trading session following the end of the Free Position Adjustment Deadline.

6. Procedure adopted for shares fractions

After the Free Position Adjustment Deadline, any fractions of shares resulting from the reverse split will be regrouped into whole numbers and sold on the B3 Stock Exchange, in as many auctions as are necessary to settle the total amount, with the proceeds resulting from the sale of these shares fractions made available proportionately to their respective shareholders, after the financial settlement of the sale.

Additional information on the terms and conditions for adjusting the positions resulting from the reverse split and on the fractions auctions, and the availability of the resulting proceeds will be disclosed in due course, through a Notice to Shareholders, after the EGM is held.

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

Rio de Janeiro, October 17, 2022.

Oi S.A. – In Judicial Reorganization

Cristiane Barretto Sales

Chief Financial Officer and Investor Relations Officer