



Announcement | Lisbon | 28 July 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

Corporate Taxpayer's ID [CNPJ/ME] No. 76.535.764/0001-43

Board of Trade [NIRE] No. 33.30029520-8

Publicly-Held Company

MATERIAL FACT

Oi S.A. – In Judicial Reorganization ["Oi" or the "Company"], in accordance with Paragraph 4 of Article 157 of Law No. 6,404/76 and the provisions of CVM Instruction No. 358/02, hereby informs its shareholders and the market in general that, in connection with the market sounding process in the competitive process for the sale of the mobile telephony operation of the Oi Companies ["UPI Mobile Assets"] carried out by its financial advisor, Bank of America Merrill Lynch ["BofA"], which has already been disclosed by the Company, Oi received a revised binding offer made jointly by Telefônica Brasil S.A., TIM S.A. e Claro S.A. at the end of day on July 27, 2020 [the "Tenderers"], in the amount of R\$ 16,500,000,000.00, increased by the commitment to enter into long-term agreements with Oi for the performance of services of transmission capacity. The revised binding offer made by the Tenderers, which provides more favourable financial conditions than the previous proposals, is subject to certain conditions that are common in processes of this nature.

Given the Exclusivity Agreement that was executed between the Company and Highline do Brasil II Infraestrutura de Telecomunicações S.A. ["Highline"] and disclosed in the Material Fact dated July 22, 2020 [the "Exclusivity Agreement"], the Company is assessing the measures that it may and must take with respect to the competitive process for the sale of the UPI Mobile Assets, while complying with all the undertaken commitments.

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

Rio de Janeiro, July 28, 2020.

Oi S.A. – In Judicial Reorganization

Camille Loyo Faria

Chief Financial 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 United States, 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.