



Announcement | Lisbon | 28 November 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
Federal Taxpayers' Registry (CNPJ/ME) No.
76.535.764/0001-43
Board of Trade (NIRE) No. 33.3.0029520-8
Publicly-Held Company

MATERIAL FACT

Agreement Executed with Anatel

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. 358/02, informs its shareholders and the market in general that, on November 27, 2020, it entered into an agreement (the “Agreement”) with Telemar Norte Leste S.A. – In Judicial Reorganization (“Telemar”) and OI Móvel S.A. – In Judicial Reorganization (“Oi Móvel”), on one side, and the National Telecommunications Agency (*Agência Nacional de Telecomunicações – Anatel*), on the other, represented, in the referred act and pursuant to applicable law, by the Attorney General’s Office (*Advocacia Geral da União – AGU*), relating to non-tax debts of the Oi Group with Anatel, recorded as an overdue tax liability up to the date of execution of the Agreement in an aggregate amount of R\$14,333,922,589.20 (fourteen billion, three hundred thirty-three million, nine hundred twenty-two thousand, five hundred eighty-nine *Reais* and twenty cents), under the terms of Law No. 13,988/2020, inclusive of all applicable fines, charges and default interest.

In accordance with the terms of the Agreement, Anatel granted to the Oi Group an irrevocable discount of 50% of the principal amount of each of the consolidated debts, in accordance with the law, such that the total debt to be paid by the Oi Group is R\$7,205,518,845.30 (seven billion, two hundred five million, five hundred eighteen thousand, eight hundred forty five *Reais* and thirty cents), as of November 2020, in 84 monthly installments. The Agreement also establishes that the first 32 (thirty-two) installments will be paid through the conversion into income, to the benefit of the Brazilian government, of judicial deposits made by the Company and linked to the guarantee of the traded debts, maintaining the bank guarantees presented by the Company in the pending lawsuits for the agreed term.

The Agreement satisfies the provisions of Clause 4.3.4 of the Company's original Judicial Reorganization Plan and the adjustments provided for in Clause 6.5 of the Amendment to the Judicial Reorganization Plan, both of which were approved by the General Creditors’ Meeting and ratified by the 7th Corporate Court of Rio de Janeiro.

Pursuant to the Agreement, in exchange for the payment of the abovementioned installments, Anatel grants to the Oi Group a broad, complete, general, reasonable and irrevocable discharge in relation to the amounts discussed and outstanding among the parties and/or object of the tax enforcement proceedings, as listed in the Agreement.

In addition, according to the Amendment to the Judicial Reorganization Plan, the Agreement establishes the possibility of renegotiating such terms and conditions in the event that future legislation and regulations provide for more beneficial conditions than those established in such Agreement.

The Agreement represents the conclusion of an important stage of Oi's Judicial Reorganization Plan and allows for the termination of a large number of judicial proceedings, which eliminates the legal uncertainty that these disputes represented for the Company.

Rio de Janeiro, November 27, 2020.

Oi S.A. – In Judicial Reorganization

Camille Loyo Faria

Chief Financial Officer and Investor Relations Officer