



Oi S.A. – In Judicial Reorganization

(a corporation organized under the laws of the Federative Republic of Brazil)

Supplement to its Solicitation of Consents to Proposed Amendments to the Indenture Related to the U.S.\$1,653,557,000 10.000/12.000% Senior PIK Toggle Notes due 2025

Supplement (the “**Supplement**”) to Oi S.A. – In Judicial Reorganization’s Consent Solicitation Statement dated February 18, 2021 (as so supplemented, the “**Statement**”), relating to the solicitation of consents from holders to effect certain proposed amendments to the Indenture. The amendments improve the terms of the Consent Solicitation from both an economic and covenant standpoint as a result of comments received from, and discussions and negotiations with, certain holders of the Notes. Terms used but not defined in this Supplement have the meanings ascribed thereto in the Statement. Except as set forth herein, the contents of the Statement remain as set forth therein.

The Company hereby amends and supplements the terms of the Consent Solicitation and the Statement as set forth below.

The Consent Payment is amended to \$10.00 per \$1,000 in principal amount of Notes.

The Section “The Proposed Amendments—The Proposed Amendments to the Indenture” is amended and restated in its entirety as follows:

Proposed Amendments to the Indenture

The Proposed Amendments to the Indenture will:

- (a) add the following clause to the definition of “Asset Sale” in Section 1.01:

“(23) any issuance or other disposition of up to 51% of the Capital Stock of InfraCo (the “**InfraCo Conversion**”) in connection with the conversion of Indebtedness incurred pursuant to Section 4.02(2)(b)(II)(y) hereof.”;

- (b) amend clause (1) of the definition of “Refinancing Indebtedness” in Section 1.01 as follows:

“(1) the aggregate principal amount (or initial accreted value, if applicable) of such new Indebtedness as of the date of such proposed Refinancing does not exceed the aggregate principal amount (or initial accreted value, if applicable) of the Indebtedness being Refinanced (plus the amount of any premium required to be paid under the terms of the instrument governing such Indebtedness including, for the avoidance of doubt, accrued and/or capitalized interest) and

the amount of reasonable expenses incurred by the Company in connection with such Refinancing);”;

- (c) add new clauses (4) and (5) and the following proviso to the definition of “Refinancing Indebtedness” in Section 1.01:

“(4) no Indebtedness of the Company or any Subsidiary Guarantor shall be Refinanced by means of any new Indebtedness of any Restricted Subsidiary that is not a Subsidiary Guarantor; and

(5) if such Indebtedness to be Refinanced is secured by Liens, the Liens securing the Refinancing Indebtedness to be incurred is limited to all or part of the same assets that secured or, under the agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to such property or proceeds or distributions thereof),

provided that, clause (5) above shall not limit the provision of Replacement Credit Support by the Company or any Restricted Subsidiary.”;

- (d) add the following definitions to Section 1.01:

““**DIP Loan**” means the debentures issued by Oi Móvel pursuant to the indenture dated December 19, 2019.

“**First Supplemental Indenture**” means the first supplemental indenture to this Indenture, dated March [●], 2021.

“**InfraCo**” means Brasil Telecom Comunicação Multimídia S.A., a corporation (*sociedade por ações*) organized under the laws of the Federative Republic of Brazil (or any successor thereto); *provided* that, for the avoidance of doubt, following the InfraCo Conversion, InfraCo will not be a Subsidiary of the Company hereunder.

“**InfraCo Additional Shares**” means the shares of Capital Stock issued by InfraCo to be owned by the Company or its Restricted Subsidiaries following the InfraCo Sale that exceeds the InfraCo Minority Interest.

“**InfraCo Minority Interest**” means the shares of Capital Stock issued by InfraCo, representing 49% of the voting equity interests thereof at the date of consummation of the InfraCo Sale, to be owned by the Company or its Restricted Subsidiaries following the InfraCo Sale.

“**InfraCo Sale**” means the partial sale of InfraCo in accordance with Section 5.3.9.4 of the Reorganization Plan.

“**Mobile UPI Sales**” means the sales of the Mobile UPIs as set forth in Section 5.3.9.1 of the Reorganization Plan.

“**Mobile UPI Sales SPA**” means the sale and purchase agreement for the Mobile UPI Sales.

“**Mobile UPIs**” means one or more entities constituting “UPI Moveable Assets” under Section 5.3.1 of the Reorganization Plan.

“**Net Cash Proceeds**” means, with respect to the InfraCo Sale or any Mobile UPI Sale, the cash proceeds received by the Company or its Subsidiaries from such sale, net of any fees, expenses, commissions and taxes incurred, paid or payable in connection therewith and net of any such proceeds required to be applied to the repayment of Indebtedness (i) owed Banco Nacional de Desenvolvimento Econômico e Social—BNDES and (ii) in respect of the DIP Loan, in each case, as provided under the Reorganization Plan.

“*Permitted InfraCo Investment*” means an Investment made on a pro rata basis with other shareholders in the form of Capital Stock of InfraCo at a price per share at or below the fair market value of InfraCo as determined in the good faith determination of the Company acting reasonably, which determination shall be conclusive.

“*Plan Amendment*” means that certain amendment to the Reorganization Plan that was approved by the requisite majorities of creditors in the general Creditors’ Meeting held in Brazil on September 8, 2020 and confirmed by the 7th Corporate Court of the Judicial District of the State Capital of Rio de Janeiro effective on October 5, 2020 upon publication in the official gazette, as may be amended or modified from time to time pursuant to its terms.

“*Relevant Mobile Assets*” means assets to be contributed to the Mobile UPIs in accordance with exhibit 5.3.1 of the Reorganization Plan and with exhibit 2.1.1 of the Mobile UPI Sales SPA, *provided* that, pursuant to Section 5.2.3 of the Mobile UPI Sales SPA, the referred exhibit 2.1.1 may be updated by the Company or any of its Subsidiaries until the consummation of the Mobile UPI Sales.

“*Replacement Credit Support*” means, with respect to any Refinancing Indebtedness, the provision of Liens over property or assets of reasonably equivalent value of the guarantees or the properties or assets securing the Indebtedness to be Refinanced, in the good faith determination of the Company acting reasonably, which determination shall be conclusive; *provided* that only obligors under the Indebtedness to be Refinanced may provide Replacement Credit Support in favor of such Refinancing Indebtedness.”;

- (e) amend Section 4.02(2)(b)(II) as follows:

“(II) (x) Indebtedness in respect of the DIP Loan, and (y) Indebtedness in the form of credit facilities or other debt or financial instruments ~~the purposes of which is to facilitate or finance (in whole or in part) the import of equipment~~ not to exceed BRL\$~~2,000.02~~2,500.0 million (or the equivalent in other currencies) as permitted by Section ~~5.3.25~~ of the Plan Amendment, and (z) Indebtedness in the form of credit facilities or other debt or financial instruments not to exceed BRL\$2,500.0 million (or the equivalent in other currencies) as permitted by Section 5.5.3 of the Reorganization Plan, and in each case of clauses (x), (y) and (z), Refinancing Indebtedness with respect thereto (clauses (x), and (y), and (z) and any such Refinancing Indebtedness, together, “*Reorganization Plan Additional Indebtedness*”), in each case of (x), ~~or~~ (y) or (z) whether or not Incurred within the timeframes referred to in the Reorganization Plan; provided that, the respective amounts in the foregoing clauses (y) and (z) shall be reduced dollar-for-dollar by any amounts applied pursuant to Section 4.16(3) to permanently repay Indebtedness incurred thereunder, as applicable;”;

- (f) amend Section 4.02(3)(d) as follows:

“(d) the accrual of interest, the accretion or amortization of original issue discount, the payment of interest on any Indebtedness in the form of additional Indebtedness with the same terms, the payment of fees or premium on any Indebtedness (including in the form of additional Indebtedness with the same terms), the reclassification of Preferred Stock as Indebtedness due to a change in accounting principles, the reclassification of accounts payable as Indebtedness and the payment of dividends on Preferred Stock of Restricted Subsidiaries in the form of additional shares of the same class of Preferred Stock of Restricted Subsidiaries shall not be deemed to be an Incurrence of Indebtedness for purposes of this covenant; *provided*, in each such case, that the amount of any such accrual, accretion or payment is included in Consolidated Interest Expense of the Company as accrued.”;

- (g) add new Section 4.05(1)(iv) and revise the definition of “Restricted Payment” as follows:

“(iv) make any Investment in InfraCo after the consummation of the InfraCo UPI Sale other than a Permitted InfraCo Investment (each, a “*Restricted Payment*”);”;

(h) add new Section 4.05(4):

“(4) Notwithstanding anything to the contrary herein, the Company shall not, and shall not cause or permit any Restricted Subsidiary to, make any Restricted Payments of the type described in Section 4.05(1)(i) unless all obligations under the Notes have been satisfied in full, other than pursuant to Section 4.05(1)(g) and the payments permitted under Sections 10.1.1.1 and 10.1.2.1 of the Reorganization Plan.”;

(i) add the following proviso to the end of Section 4.07(2)(b):

“; *provided* that Indebtedness incurred pursuant to Section 4.02(2)(b)(II)(z) may only be secured by Liens on the same assets (in whole or in part) securing Indebtedness incurred pursuant to Section 4.02(2)(b)(II)(x) or Refinancing Indebtedness in respect thereof; *provided further* that the foregoing proviso shall not apply to Liens (i) on any shares of Oi Móvel, (ii) on any amount due to the Company or any of its Subsidiaries under the Mobile UPI Sales SPA (including, without limitation, any breakup fees thereunder) and (iii) as permitted by Section 5.5.3 of the Reorganization Plan;”;

(j) add new Section 4.07(3):

“(3) Notwithstanding anything to the contrary herein, the Company shall not, and shall not permit any of its Subsidiaries to (A) directly or indirectly, issue, be liable in respect of, assume or permit to exist any Lien of any nature whatsoever on the InfraCo Minority Interest or the InfraCo Additional Shares, (B) transfer the InfraCo Minority interest to any Person other than the Company or any of the Subsidiary Guarantors and (C) enter into any agreement that prohibits the granting of a Lien on the InfraCo Minority Interest or the InfraCo Additional Shares to secure Indebtedness incurred to refinance Indebtedness in respect of the Securities.”;

(k) replace the reference to “Section 5.2 of the Reorganization Plan” in Section 4.16(2)(iv) with a reference to “Section 5.4 of the Reorganization Plan”;

(l) add new Section 4.16(3):

“(3) Notwithstanding anything to the contrary herein, the Company shall, and cause each of its Subsidiaries to, apply the Net Cash Proceeds received from (a) the InfraCo Sale to permanently repay any Indebtedness incurred pursuant to Section 4.02(2)(b)(II)(y) or (b) the Mobile UPI Sales to permanently repay Indebtedness incurred pursuant to Section 4.02(2)(b)(II)(z), in each case, within 30 days of the receipt of such Net Cash Proceeds (and, for the avoidance of doubt, such sales and related contributions are understood to be permitted without further restriction or requirement hereunder). Any such Net Cash Proceeds remaining following the repayment of such Indebtedness, as applicable, may be applied by the Company or its Subsidiaries in any manner not prohibited by the Indenture.”;

(m) replace the references to “10.0%” in Section 4.21 to “5.0%”;

(n) add new Sections 4.24(4) and (5):

“(4) InfraCo shall provide a Subsidiary Guarantee until the earlier of (i) the InfraCo Conversion or (ii) the InfraCo Sale. For the avoidance of doubt and notwithstanding anything to the contrary herein, InfraCo’s Subsidiary Guarantee shall be fully and automatically released upon the occurrence of either of the InfraCo Conversion or the InfraCo Sale, and thereafter, InfraCo shall no longer be required to give a Subsidiary Guarantee.

(5) With respect to any Mobile UPI Sale:

- (A) the Company shall not, and shall not permit any of its Subsidiaries to, transfer Relevant Mobile Assets to the applicable Mobile UPI prior to the date on which the applicable regulatory approvals have been obtained or waived under the Mobile UPI Sales SPA (as determined in good faith by the Company acting reasonably); and
- (B) if Relevant Mobile Assets have been contributed to such Mobile UPI and such Mobile UPI Sale has not been consummated on or prior to May 30, 2022, then, on such date, either (i) the Company shall, and shall procure that its Subsidiaries shall, transfer the applicable Relevant Mobile Assets from such Mobile UPI to the Obligors and shall deliver written evidence of such transfer to the Trustee or (ii) such Mobile UPI shall provide a Subsidiary Guarantee (it being understood that if such Mobile UPI Sale is later consummated, such Subsidiary Guarantee shall be fully and automatically released upon such Mobile UPI Sale, and thereafter, such Mobile UPI shall no longer be required to give a Subsidiary Guarantee.”; and

(o) amend Section 6.01(4)(a) as follows:

“(a) the acceleration of any Indebtedness of the Company or any Material Subsidiary ~~(other than Indebtedness owed to Banco Nacional de Desenvolvimento Econômico e Social—BNDES)~~ by reason of default.”

The consummation of the Consent Solicitation is subject to, and conditioned upon, the satisfaction or waiver of certain conditions described in this Statement. See “The Consent Solicitation—Conditions to the Consent Solicitation.”

Questions with respect to the Consent Solicitation should be directed to the Information Agent or to the Solicitation Agent at their respective telephone numbers and addresses set forth in the Statement.

The date of this Supplement is March 22, 2021