



TELEFÓNICA, S.A., in compliance with the Securities Market legislation, hereby communicates the following

OTHER RELEVANT INFORMATION

Further to the communications dated July 18, 2020 and July 28, 2020 (under registration numbers 3477 and 3646, respectively), Telefónica informs that, due to the revised binding offer presented by Telefônica Brasil S.A. to Oi Group on July 27, 2020 (the "Revised Offer"), jointly with TIM S.A. and Claro S.A. (jointly the "Bidders"), Oi Group granted the Bidders, by the execution of an Exclusivity Agreement (the "Agreement"), with exclusivity to negotiate the documents and annexes related to the Revised Offer.

The Agreement aims to (i) grant security and speed to the ongoing negotiations among the Bidders and Oi Group and (ii) allow that, once the negotiations between the parties are satisfactorily concluded, the Bidders can, subject to the necessary authorizations by Oi Group, be pre-qualified as "stalking horse" bidder in the competitive process for sale of the mobile telephony assets held by Oi Group, thus assuring them the right to top other proposals received in the referred process.

The Agreement is effective until August 11, 2020 and will be automatically renewed for equal and successive periods, unless otherwise indicated by either party.

Madrid, August 8, 2020

**SPANISH NATIONAL SECURITIES MARKET COMMISSION
- MADRID -**