



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

OTHER RELEVANT INFORMATION

Telefônica Brasil S.A., Telefónica's subsidiary in Brasil, has today presented a binding offer for the acquisition of Grupo Oi's mobile business, jointly with TIM S.A. and Claro S.A.

The binding offer has been submitted by the parties indicated above for the consideration of Grupo Oi, after the analysis of the data and information made available with respect to the business to be acquired, highlighting that it is subject to certain conditions, especially with regards to their selection as "stalking horse" ("first bidder"), which shall guarantee to them the right to match the best offer presented in the competitive process of sale of Grupo Oi's mobile business. In case of acceptance of the submitted offer and completion of the transaction, each of the interested parties will receive a portion of the aforementioned business.

The transaction, if completed, shall add value to our shareholders and clients by means of further growth, generation of operational efficiencies and service quality enhancement. Furthermore, the transaction shall contribute to the development and competitiveness of the Brazilian telecommunication industry.

Madrid, July 18, 2020

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