

**TIM PARTICIPAÇÕES S.A.**

Publicly-Held Company

Corporate Taxpayer's ID (CNPJ/MF):

02.558.115/0001-21

Corporate Registry (NIRE): 33 300 276 963

**TIM S.A.**

Publicly-Held Company

Corporate Taxpayer's ID (CNPJ/MF):

02.421.421/0001-11

Corporate Registry (NIRE): 33.300.324.631

**MATERIAL FACT****New binding offer for Oi Group's mobile business**

TIM PARTICIPAÇÕES SA ("Company" or "TPAR") (B3: TIMP3; NYSE: TSU) and its wholly-owned subsidiary TIM SA ("Subsidiary" or "TSA"), jointly "TIM", pursuant to Article 157 of Law 6,404 and the provisions of CVM Instruction n. 358/2002, as changed, in continuity to the Material Facts released in March 10<sup>th</sup>, 2020 and in July 18<sup>th</sup>, 2020, inform its shareholders, the general market and other interested parties that the Board of Directors of TPAR and TSA, in meetings both held today, approved the extension and review of the binding offer for Oi Group's mobile business by TSA, jointly with Telefônica Brasil S.A. ("Vivo") and Claro S.A. ("Claro"), all together called "Offerors", and the presentation of a new proposal of R\$ 16,500,000,000.00 (sixteen billion and five hundred million Reais). Such joint proposal, additionally, considers the possibility of signing long-term contracts for the use of Oi Group's infrastructure.

The revised binding offer has been submitted by the aforementioned parties, 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 make a higher bid than the best offer among the other offers presented ("right to top") in the competitive process of sale of Oi Group's mobile business.

The review of the binding offer reaffirms TIM's interest in the acquisition of Oi Group's mobile assets, as well as in contributing to the continued development of the mobile telephony in the country, considering the broad global experience it has in the telecommunication sector and the deep knowledge of the Brazilian market.

As an operator of recognized financial strength, and with a presence and history of intense long-term investments in Brazil, TIM is certain that the joint offer of the Offerors, if accepted and deemed winner, will bring benefits to its shareholders through the acceleration of growth and generation of efficiencies, as well as to its customers through the improvement of the use experience and quality of the service provided, and to the sector as a whole through reinforcement in its investment capacity, technological innovation and competitiveness. In this sense, the joint bid also favors and is in line with the regulation that aims to build and consolidate a strong and efficient telephone service in the country.



TIM considers that the offer addresses the financial needs of the Oi Group, broadly known by the market in general, so that it can implement its strategic plan and serve its creditors, under the terms of the Judicial Recovery Plan.

The Company and TSA will keep its shareholders and the market informed in accordance with the regulations in force.

Rio de Janeiro, July 27, 2020.

**TIM Participações S.A. / TIM S.A.**

Adrian Calaza

Chief Financial Officer and  
Investor Relations Officer