

Convenience translation  
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## **Discount Investment Corporation Ltd,**

Immediate report dated October 14, 2020 - reference number: 2020-01-112254

**Subject: Approval by the Court for the publication of an invitation for the submission of offers for the purchase of shares in the Company**

Further to the immediate reports that have been made by Discount Investment Corporation Ltd. ("**The Company**") the last of which is dated October 14, 2020, regarding various legal proceedings relating to the receivership over shares in the Company, the Company updates that on October 14, 2020, further to the petition that had been submitted in the District Court in Tel-Aviv-Jaffa ("**The Court**"), by the receivers who have been appointed for the shares in the Company, which constitute approximately 70% of the Company's issued share capital ("**The receivers**" and "**The receivers' shares**", respectively), with the agreement of the trustee who was appointed for IDB Development Corporation Ltd., who was also appointed as temporary receiver over shares in the Company, which constitute approximately 12% of the Company's issued share capital ("**The trustee**" and "**The trustee's shares**", respectively), for the publication of an invitation for the submission of offers for the purchase of the receivers' shares, which invited the offerors to also include an offer for the purchase of the trustee's shares in their offer (without this constituting a condition for the submission of an offer for the purchase of the receivers' shares), the Court approved the said petition. The approval by the Court, as aforesaid, is subject to its decision of October 13, 2020, in which it clarified that the petition by Dolphin IL (2020 Ltd. (a company in the process of establishment) (a private company that is wholly owned by Dolphin IL Investments Ltd.), to enable it to purchase and to redeem the receivers' shares, has not yet been adjudicated and that there is nothing in its decision of October 13, 2020 that makes the adjudication thereof redundant; and in addition, such decision is subject to the approval of the Ministry of Communications.

In light of this, on October 14, 2020, IDB Development Corporation Ltd. published the invitation for submit offers for the purchase of shares in the Company, as published by the receivers and by the trustee. A copy of such invitation is attached to this report.

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**In the District Court in Tel-Aviv-Jaffa, Set Before the Honorable Deputy President, Judge Hagai Brenner  
In Liquidation 5578-10-20, Liquidation 50129-09-20**

## **Invitation for the Submission of Offers for the Purchase of Shares in Discount Investment Corporation Ltd.**

1. The receivers, Attorneys Ra'anan Kalir and Alon Benyamini and the temporary receiver, Adv. Ophir Naor, are honored to publish an invitation for the submission of offers for the purchase of regular shares of par value NIS 1 each in Discount Investment Corporation Ltd. ("**The receivers**", "**DIC**" and "**The shares in DIC**"), which are the subject of the receivership in cases Liquidation 50129-09-20 and Liquidation 5578-10-20, as follows:

An invitation for the submission of offers for the purchase of 99,258,708 regular shares of par value NIS 1 each in DIC ("**The control shares in DIC**" for which Attorneys Kalir and Benyamini have been appointed as -receivers).

The offeror is invited (but not required) to offer together with the offer for the purchase of the control shares in DIC, to submit an offer for the acquisition of 17,158,241 regular shares of par value NIS 1 each in DIC, for which Adv. Naor has been appointed as receiver. The offer for the purchase of the control shares in DIC shall not be conditional upon the submission of an offer for the purchase of these shares.

2. The full offer documents can be received from the receivers.
3. The last time for the submission of offers shall be Wednesday, November 4, 2020 at 17:00. The offers are to be submitted in an original signed copy to Attorneys Ra'anan Kalir and Alon Benyamini (4 Berkovitz Street, The Museum Tower, 13<sup>th</sup> Floor, Tel-Aviv), with a copy being sent by e-mail to the address [raanank@ebnlaw.co.il](mailto:raanank@ebnlaw.co.il) (Adv. Ra'anan Kalir) and to the address [alonb@ebnlaw.co.il](mailto:alonb@ebnlaw.co.il) (Adv. Alon Benyamini) and in addition they are to be submitted to Adv. Ophir Naor (6 Meitav Street, Entrance A, 4<sup>th</sup> Floor, Tel-Aviv) with a copy by e-mail to the address [Ophir@nglaw.co.il](mailto:Ophir@nglaw.co.il).
4. As set forth in greater expanse in the offer documents, the shares in DIC will be sold by the receivers in their state as is, and the responsibility for performing any relevant checks of any sort whatsoever on the shares in DIC, on DIC and on the corporations in which DIC owns rights, directly or indirectly (together: "**The DIC Corporations**"), including the checking of their economic, legal and business position, is placed on the offeror alone, at his expense and at his responsibility, without any representation and/or declaration and/or commitment (in connection with the shares in DIC and/or DIC and/or the DIC corporations) being provided and/or being provided in the future to the offeror.
5. All of the data that may be presented to the offerors, insofar as they may be presented, will be presented on an informative and indicative basis alone, and not as any representation whatsoever of DIC, of IDB Development Corporation Ltd., of the receivers and/or of anyone acting on their behalf. Accordingly, it is known and agreed that the submission of any offer whatsoever by the offeror is made out of the knowledge that he does not have any right whatsoever to compensation or indemnification in connection with any item of data or representation that have been delivered or presented to the offeror, or which has not been delivered or which has not been presented to him.

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6. As collateral for his offer, the offeror is to attach an autonomous, unconditional banking guarantees to the order of the receivers to his offer, under the conditions that are set forth in the offer documents.
7. This invitation does not constitute a document or basis for any commitment whatsoever, it should not be seen as containing any representation whatsoever on behalf of the receivers and/or of anyone on their behalf, and in addition, neither it nor the offer documents should be seen as any commitment or obligation whatsoever by the receivers and/or anyone acting on their behalf. The receivers retain for themselves the right – at their exclusive and absolute discretion and without their being required to act in this way – to conduct negotiations with the offerors, in whole or in part, including with any offeror separately, without notifying the other offerors and/or to hold a bidding between the offerors or some of them and/or to change the terms of the commitment with the offeror within the context of the negotiations with the offeror, such that the commitment with him will include only part of his offer, or his offer may be changed and/or to act in any other way that they may see fit without any restriction.

The invitation should not be seen as a commitment on the part of the receivers to accept the highest offer and/or any offer whatsoever. The invitation should not be seen as a commitment to sell the shares in DIC or part of them. The receivers retain their right to change the last time for the submission of offers and/or to discontinue the process of the submission of the offers at any time, to discontinue or to cancel completely the invitation in whole or in part or to retract their intention to execute a transaction and etcetera, and this at any time and in accordance with the receivers' absolute discretion.

8. For clarifications relating to this invitation and/or the manner of the submission of the offers, it is possible to refer to the undersigned by e-mail to the address [raanank@ebnlaw.co.il](mailto:raanank@ebnlaw.co.il) (Adv. Ra'anan Kalir) and to the address [alonb@ebnlaw.co.il](mailto:alonb@ebnlaw.co.il) and to the address [Ophir@nglaw.co.il](mailto:Ophir@nglaw.co.il) (Adv. Ophir Naor).
9. This invitation should not be seen as an invitation to the public (within the meaning of that term in the Securities Law, 1968) for the purchase of shares in DIC. This invitation is not subject to tender law including the Law for the Requirement of Tenders, 1992 and the Regulations that have been promulgated thereunder and/or case law and laws on the subject of tenders in Israel, and accordingly the tenders laws shall not apply to it.
10. The offerors' attention is drawn to the fact that until the last time for the submission of offers as set forth above, changes may occur in the terms of the invitation and/or at the last time for the submission of offers and/or the cancellation of the invitation for the submission of offers, and the offerors need to monitor updated, insofar as any may be made, which will be reported by way of publication in the press or alternatively by means of a report on the Magna reporting system (under the reports by Discount Investment Corporation Ltd. and/or IDB Development Corporation

**Ra'anan Kalir, Adv.; Alon Benyamini. Adv.**  
**Receivers for the control shares in**  
**Discount Investments Corporation Ltd.**  
**Ardinest, Ben Nathan, Toledano & Co. Law Office**  
**4 Berkovitz Street, The Museum Tower, 13<sup>th</sup>**  
**Floor, Tel-Aviv**  
**Telephone: 03-7770111; Fax: 03-7770101**

**Ophir Naor, Adv.**  
**The temporary receiver for part of the shares**  
**in Discount Investments Corporation Ltd.**  
**Naor – Gersht, Attorneys**  
**6 Meitav Street, Entrance A, 4th Floor, Tel-**  
**Aviv**  
**Telephone: 03-5447404; Fax: 03-5447405**