

Convenience translation

In any case of inconsistency, the immediate report in Hebrew shall prevail

## **Discount Investment Corporation Ltd,**

Immediate report dated October 20, 2020 - reference number: 2020-01-114144

**Subject: Dolphin's Response to the Receivers' Motion to Approve Mega Or's Proposal (the "Motion"); Position of the Bondholders (Series 9) regarding the Motion; Agreement of the Receivers and the Trustee of IDB Regarding the Request for Proposals Process**

Further to the immediate reports of Discount Investment Corporation Ltd. (the "**Company**"), the last of which was dated October 15, 2020, regarding various legal proceedings pertaining to the receivership of the Company's shares, including a motion which was filed by the receivers who were appointed for the Company's shares (the "**Receivers**"), which constitute approximately 70% of its issued capital (with the consent of the trustee of IDB Development Corporation Ltd. ("**IDB Development**") (who was also appointed as the temporary receiver for the Company's shares, which constitute approximately 12% - the "**Trustee**"), regarding the approval of conditions of a binding and irrevocable proposal which was submitted by Mega Or Holdings Ltd. ("**Mega Or**"), for the acquisition of the Company's shares (the "**Motion**"), the Company hereby reports that on October 19, 2020, Dolphin IL Investments Ltd. and Dolphin IL Investments 2020 Ltd. (a company in formation) filed their response to the motion, in which they requested that the Court dismiss the motion. A copy of Dolphin's response is attached to this immediate report.

The Company further reports that on October 19, 2020, the bondholders (Series 9) of IDB Development (the "**Bondholders (Series 9)**") filed their position regarding the motion, according to which (inter alia), in principle, the bondholders (Series 9) view positively the agreements which the receivers and the trustee reached with Mega Or. A copy of the foregoing position is also attached to this immediate report.

The Company further reports that on October 19, 2020, the receivers, the trustee and the trustee for the bondholders (Series 9) of IDB Development filed with the Court a motion to approve agreements pertaining to the process of the request for proposals to purchase Company shares (for details, see the Company's immediate report dated October 14, 2020), which were reached after the receivers and the trustee filed their motion to approve the conditions in the aforementioned proposal which was submitted by Mega Or.

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