

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

Discount Investment Corporation Ltd,

Immediate report dated October 1, 2020 - reference number: 2020-01-107106

Subject: Petition by the temporary receivers in connection with the replacement of directors in the Company

Further to the immediate report by Discount Investment Corporation Ltd. ("**The Company**") on September 25, 2020, regarding a ruling that was handed down by the District Court in Tel-Aviv-Jaffa ("**The Court**"), pursuant to which, inter alia, Attorneys Ra'anana Kalir and Alon Benyamini were appointed to the role of temporary receivers ("**The temporary receivers**") over the shares in the Company that are charged in support of the holders of the bonds (Series 14) of IDB Development Corporation Ltd. (which constitute approximately 70.2% of the Company's issued share capital; "**The charged shares**"), the Company updates that on October 1, 2020, the temporary receivers submitted an urgent petition in the Court, for the replacement of directors in the Company ("**The Petition**").

Within the context of the positions, the respondents to which are Dolphin IL Investments Ltd, (the holder of the charged shares), the Company and Eduardo Elsztein (the Chairman of the Board of Directors), Alejandro Elsztein, Diana Elsztein Dan, Saul Zang and Mario Belchar, who are directors in the Company ("**The directors**") – the temporary receivers requested the Court to instruct, as urgently as possible, the termination of the directors' periods of office; and on the appointment of Yoram Turbowitz, Yitzhak Eidan, Omer Sarbinski, Regina Ungar and Ya'acov Nimkovski as directors in the Company.

Within the framework of the petition, the receivers attached (inter alia), the letters that were sent to the Company today, in which they requested the replacements of the directors, as included in the petition, and also requested that the Company's Board of Directors call an extraordinary meeting of the shareholders in the Company, urgently, for that purposes.
