



B Communications Ltd.
("the Company")

November 14, 2020

To Securities Authority To Tel Aviv Stock Exchange Ltd.

Electronic Disclosure System Electronic Disclosure System

Dear Sir / Madame,

Re: **Filing of two motions for the approval of class actions against the Company, its officers and others.**

The Company hereby reports that on November 12, 2020, two actions, as well as a motion for the approval thereof as class actions, were filed against the Company, Bezeq the Israel Telecommunications Corporation Ltd. ("**Bezeq**") and others with the Tel Aviv District Court (The Economic Department), as follows:

1. An action filed by an individual, who, according to what is stated in the statement of claim and in the motion for the approval thereof as a class action ("**the Motion**"), is a holder of Company shares and Bezeq shares, against the Company, Bezeq and 72 other respondents, including, allegedly, past and present officers in the Company and in Bezeq (in this section, "**the Respondents**").

According to the motion, the members of the groups suffered damages as a result of the Respondents' actions and omissions, when they refrained from disclosing to the investing public a material fact that allegedly had to be disclosed in accordance with the law, in connection with the report of November 9, 2020, according to which, Bezeq International's books contain unexplained net asset balances minus payables, worth tens of millions of NIS, most of which originate in periods of more than 15 years ago ("**the Immediate Report**").

The definition of the groups, according to what is stated in the motion, is: (a) Everyone who purchased Bezeq shares on the Tel Aviv Stock Exchange between November 8, 2005 and November 9, 2020; (b) Everyone who purchased the Company's shares on the Tel Aviv Stock Exchange between November 8, 2007 and November 9, 2020. The amount of the claim stated in the statement of claim is "over NIS 25 million (for the purpose of substantive authority)", when in accordance with an economic opinion attached to the motion, "the estimate of the plummeting of the price of the security" in respect of the information included in the

immediate report amounts to 9.36% in relation to the Company's share and 5.40% in relation to the Bezeq share.

2. An action filed by an individual, who according to what is stated in the statement of claim and in the motion for the approval thereof as a class action ("**the Motion**"), holds Bezeq shares, against Bezeq, the Company, Bezeq's CEO and members of Bezeq's Board of Directors (in this section, "**the Respondents**").

The action is concerned with the compensation of the Applicant and the other members of the represented group (as detailed below) for damages caused to them, according to what is alleged in the motion, due to Bezeq's failure to report and disclose on the Tel Aviv Stock Exchange and its concealment of material information from the investing public regarding a report to the public "on moves by the Ministry of Communications to eradicate the phenomenon of dual subscribers in Internet and ISP, as well as on the extensive and substantial scope of the phenomenon of dual subscribers, in its subsidiary Bezeq International and their significant negative impact on the business of Bezeq and Bezeq International" ("**the Immediate Report**").

The definition of the group according to the motion is anyone who purchased Bezeq's shares between August 17, 2020 and October 30, 2020.

According to the claim in the motion, the damage caused to the group members as a result of the events that are the subject of the action amounts to approximately NIS 55 to 66 million, based on an expert opinion attached to the motion.

The Company is studying the actions and motions and at this point is unable to assess their chances.

Sincerely,
B Communications Ltd.