



Investor Presentation

June 2023

Forward-Looking Statements

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Series F Tack-On Bonds Issuance – Credit Highlights

Initiation of credit rating by Midroog/Moody's: A3 with Stable outlook

With the new rating, Series F is expected to be added to the main bond indices

Proceeds used to redeem Series C at Par which currently has pari-passu pledge on same Bezeq shares

First lien registered pledge on 26.3% stake in Bezeq, with specific pledge permit from MoC

Stable and attractive LTV level of ~50%

Bezeq's strong credit rating's outlook was recently upgraded by both Midroog and Maalot to AA- with positive outlook

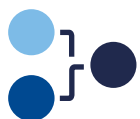
Stable and growing dividend payments from Bezeq starting 2022

Strong financial and operational performance at Bezeq and its subsidiaries with emphasis on Fiber, 5G and growing FCF

BCOM Overview



B Communications Ltd. ("BCOM") is a public company with a controlling interest (~27%) in Bezeq, The Israel Telecommunication Corp. ("Bezeq"), Israel's largest telecommunications group (TASE: BEZQ).



BCOM is controlled by Searchlight Capital Partners (65.26%) and the Fuhrer Family (12.35%). Our controlling shareholders have wide telecom and business experience and financial strength, representing significant added value for the Bezeq Group.

At A Glance

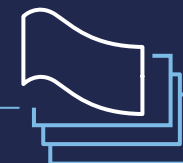


Ticker BCOM

Exchange TASE



Headquarters Tel-Aviv, Israel



NIS 11.79

Stock
Price

52.3%

LTV (spot)

**NIS 1.7
Billion**

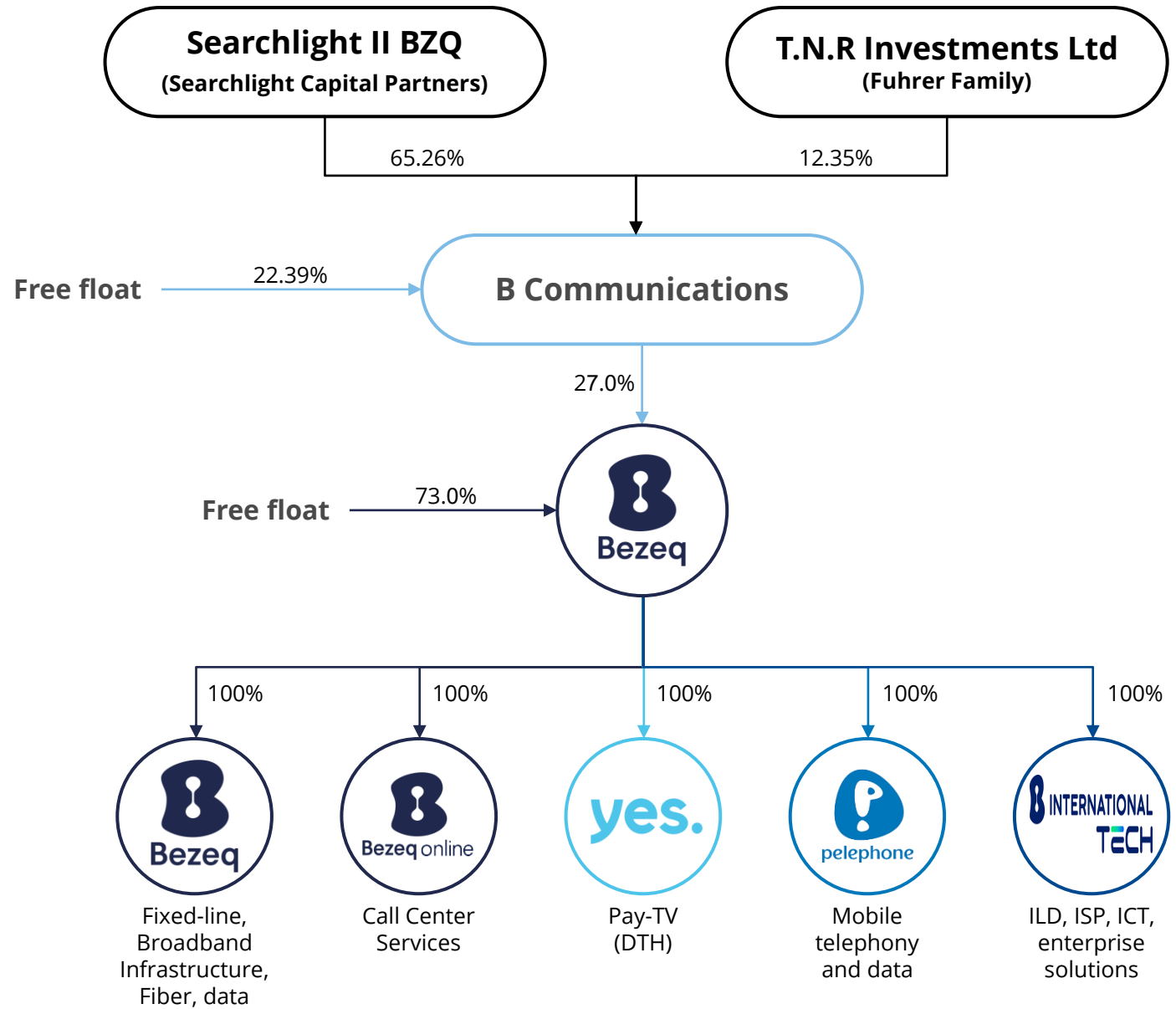
NAV

**NIS 3.55
Billion**

Value of
Holdings in
Bezeq

As of June 18, 2023

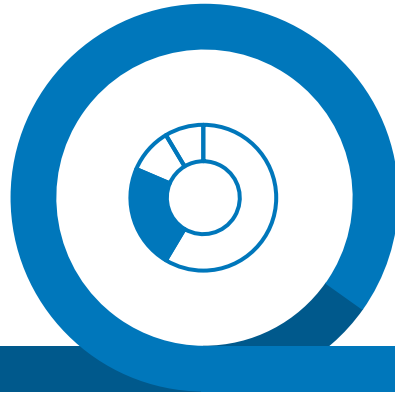
Group Structure



Investment Highlights



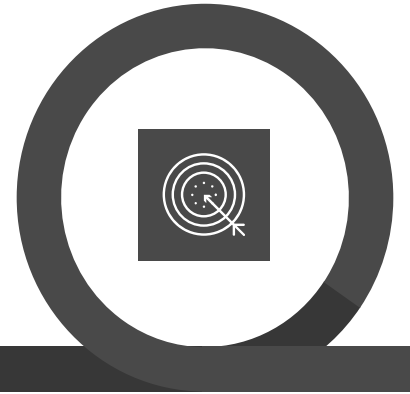
Experienced Controlling Shareholders Leading Israel's Largest Telecom Group, in Both Residential and Business Markets



Consistent Improvement in Leverage Ratios with Healthy Debt Repayment Schedule and Dividends from Subsidiary



Stable and Recurring Revenue Model with Strong and Predictable Cash Flows



Strong Market Momentum with Focus on Growth Engines and Structural Changes such as: Building Nationwide Fiber Infrastructure, 5G Deployment and Streamline of Key TV and ISP Subsidiaries

Searchlight Capital Partners

SEARCHLIGHT



Searchlight Capital Partners (“Searchlight”) is a transatlantic investment firm founded in 2010

Team of **90 professionals** across London, New York and Toronto

~\$12 billion under management



Searchlight Investment Strategy

Long term, patient, private equity investors

Focused on **partnering with management** teams of market leading businesses in attractive industries



Searchlight Investment Focus

Strong expertise and relationships in communications, media, business services, and consumer

Invest in companies with **strong market positions** and high cash flow generation

Select Portfolio Investments



Strong and Experienced Management



Mr. Darren Glatt
Chairman of the Board of Directors

Darren was elected as our Chairman of the Board of Directors since December 2019.

Mr. Glatt is a Partner at Searchlight Capital Partners, overseeing the firm's efforts in the Technology, Media and Telecommunications ("TMT") sectors.

Prior to joining Searchlight in 2013, Mr. Glatt worked as a Partner in the Private Equity Group at Apollo Management, L.P. Mr. Glatt also held positions at Apax Partners and The Cypress Group. He started his career at Bear Stearns in 1998 in New York.

Mr. Glatt is currently a member of the Boards of Bezeq, BCOM (Chairman), All Points Broadband (Chairman), MediaMath (Chairman), Adams Outdoor Advertising, and formerly a member of the Boards of Charter Communications, Rackspace, Ocean Outdoor, 160over90, Play Power, Veritable Maritime and Core Media.

Mr. Glatt received a BS from The George Washington University, and an MBA from Harvard Business School.



Mr. Tomer Raved
Chief Executive Officer

Tomer Raved was elected as our CEO in January 2020. Mr. Raved also serves as a Director at Bezeq and all its subsidiaries.

In the past decade, Tomer has advised telecom, media and tech companies on M&A and capital raises and has completed transactions valued at over \$300bn in aggregate with US and Israeli clients, such as Verizon, AT&T, Charter, Disney, IBM, KKR, Apollo and many others.

Prior to joining BCOM, Tomer was a Director and a Vice President at RBC Investment Bank. Previously, Tomer was an Associate Director at UBS Investment Bank as well an Associate Attorney at FBC & Co.

Tomer has an MBA with specialization in Finance and Accounting from NYU Stern School of Business, as well as an L.L.B in Law and a B.A. in Economics from Tel-Aviv University.



Mr. Itzik Tadmor
Chief Financial Officer

Itzik has been the Company's Chief Financial Officer Since May 2015, and previously served as BCOM's controller for three years.

Itzik has been involved in all the Company's past capital markets transactions as well as in structuring all of BCOM's prior debt and equity issuances.

Prior to joining the Company, Mr. Tadmor worked at PriceWaterhouseCoopers (PWC) for five years.

Mr. Tadmor received, a bachelor degree in accounting and economics and an M.B.A degree from Tel-Aviv University. Mr. Tadmor is also a certified public accountant in Israel.

BCOM NAV & LTV Summary

Data	
No. of BCOM shares (mm)	107.25
No. of Bezeq shares held by BCOM (mm)	747.1
Bezeq share price (NIS) *	4.75
No. of Bezeq shares (mm)	2,766.7
Bezeq's market cap (NIS mm) *	13,142

BCOM's NAV & LTV	NIS Millions
Market value of BCOM's holdings in Bezeq	3,549
BCOM's net debt **	1,855
BCOM's NAV	1,694
LTV (Spot)	52.3%

NAV vs Market:	NIS
BCOM's share price based on NAV	15.79
BCOM's market price*	11.79
NAV Premium to Market (%)	33.9%

* Market figures are as of June 18, 2023.

** Net debt figures are as of March 31, 2023 adjusted to additional Bezeq shares purchased in April and May 2023 and dividend received from Bezeq on May 11, 2023.

In the event of future sale of Bezeq shares, the Company does not expect to incur significant tax expenses if any.



Debt Capitalization Summary

	Series C	Series F
Par Value (NIS mm)	497	1,472
Coupon	3.85%	3.65%
Maturity	30/11/2024 (Bullet)	30/11/2026 (Bullet)
YTM (June 18, 2023)	5.89%	6.01%
Market price (June 18, 2023)	0.976	0.932
Financial Covenant	LTV	LTV
Currency / Linkage	NIS, not-linked	NIS, not-linked
Pledge	1 st Lien	1 st Lien
Credit Rating	A3 (stable outlook)	A3 (stable outlook)

Dividends Upstream from Bezeq

	H1'22	H2'22	H1'23
Bezeq's dividend policy	50% of NP	50% of NP	60% of NP
Bezeq's dividend per share (NIS)	0.09	0.11	0.09
Dividend distributed by Bezeq (NISm)	240	294	246
Dividend received by Bcom (NISm)	64	78	66
Interest paid and opex of Bcom (NISm)	44	42	42



b.com
group

Thank You