

ISRAEL DISCOUNT BANK LTD.

Registration no.: 520007030

FAO: Israel Securities Authority
www.isa.gov.il

FAO: The Tel Aviv Stock Exchange Ltd.
www.tase.co.il

T121 (Public)

Magna transmission date: March 5, 2023
Reference No.: 2023-01-023658

IMMEDIATE REPORT FOR MATERIAL GENERAL INFORMATION

Explanation: This form is not to be used if a form exists that is suitable for the reported event

Nature of the event: *Signing a Non-Binding Memorandum of Understanding for Setting-Up a Subsidiary that will Engage in Extending Credit*

Reference numbers of previous reports relating to this topic: _____, _____, _____

Israel Discount Bank Ltd. ("the Bank") hereby reports that, on March 5, 2023, the Bank and ezbob Ltd., a company incorporated in the UK (ezbob"), signed a memorandum of understanding for setting up a venture to extend consumer credit and credit to small and medium companies, that are customers of any of the banks, by means of a company that will be under the Bank's control (an auxiliary corporation ("the company")).

As provided in the memorandum of understanding, 70% of the Company's ordinary share capital will be held by the Bank and 30% of the Company's ordinary share capital will be held by ezbob. The extending of credit and its management will be done using ezbob's innovative technological systems, under a license that ezbob will grant to the Company. In accordance with the memorandum of understanding, the Bank is expected to inject capital of NIS 150 million into the Company. In addition, the Bank is expected to place additional capital/owners' loan facilities at the disposal of the Company, to be drawn on in the future in certain instances. The Bank is also expected to provide credit facilities at market terms to the Company.

The Bank and ezbob are working on drawing up a binding agreement, which is contingent on obtaining necessary regulatory approvals, including approval from the Bank of Israel. There is no certainty that the transaction will be closed.

See attachment _____

The Company *is not* a shell company as defined in the TASE Code

The date when the Corporation first learned of the event: *March 5, 2023* at *08:30*

Details of signatories authorized to sign in the name of the Corporation:

	Name of Signatory	Position
1	<i>Barak Nardi</i>	<i>Other Executive Vice President, Head of Strategy, Finance and Holdings Division</i>
2	<i>Adv. Nitzan Sandor</i>	<i>Other Executive Vice President, Chief Legal Counsel and Head of Legal Counsel Division</i>

Reference numbers of previous documents relating to this topic (their mention does not constitute their inclusion by way of reference):

Email: michal.sd@dbank.co.il

Prior names of the reporting entity:

Name of person making electronic report: Sokolov-Danoch, Michal Position: Corporate Secretary Name of Employing Company:
Address: 23 Yehuda Halevi St., Tel Aviv 6513601, Israel Tel: +972-3-5145582; Fax: +972-3-5171674 Email: michal.sd@dbank.co.il

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The English translation is prepared for convenience purposes only.
In the case of any discrepancy between the English and Hebrew versions, the Hebrew will prevail.***