

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

T053 (Public)

Magna transmission date: August 14, 2024,
2023 Reference No.: 2024-01-086830

IMMEDIATE REPORT REGARDING EVENT OR MATTER NOT IN THE ORDINARY COURSE OF BUSINESS OF THE CORPORATION

Regulation 36 of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

Report regarding: Report whose submissions was delayed

Nature of the event: Partnership deal with Gallatin Point Capital LLC at IDBNY

- Israel Discount Bank Ltd. (“the Bank”) is pleased to hereby announce that, on August 14, 2024, the Bank entered into a binding agreement with the private investment fund Gallatin Point Capital Ltd. (“the Fund”) for the sale of some 15% of the shares of the subsidiary Discount Bancorp, Inc. (“Bancorp”), which holds full ownership of I.D.B. New York, for a consideration of US\$ 150 million. The difference between the consideration and the balance-sheet value of the shares being sold, in an estimated amount of approx. NIS 140-190 million, depending on the percentage of the holding to be sold, will be deducted from the Bank’s capital. The percentage of shares to be sold could be higher than the above figure and could reach 20%, depending on the scope of the dividend that Bancorp is to distribute prior to the closing of the deal. The sale agreement anchors, inter alia, the Fund’s rights as a minority shareholder (the standard rights granted to a minority shareholder in agreements and investments of this kind in the United States), and also prescribes mechanisms for realizing the Fund’s investment, after the elapse of a number of years, at the initiative of either the Bank or the Fund, by means of an offering, a sale of the entire holdings of all the shareholders in Bancorp to a third party or the purchase of the Fund’s holding in Bancorp by the Bank, in accordance with the terms specified in the agreement. The closure of the deal is subject to receiving the Bank of Israel’s approval thereof. Accordingly, it is not certain that the deal will be closed. If it is closed, the Bank assesses that it will not be impacted by it (neither by the impact of the deal nor by the impact of the decrease in the Bank’s holdings in Bancorp on the Bank’s profitability, its assets and/or its shareholders’ equity). The transaction is a strategic move for the New York subsidiary, and is aimed at enhancing IDB New York’s activity, while leveraging the strategic ties that the fund has in the US financial sector alongside its familiarity with and presence in the US domestic market. Forward-looking information: Some of the abovementioned information is forward-looking information and falls within the realm of an assessment based on existing information in the Bank’s possession at the time of publishing this report. This information includes, among other things, reference to future developments, such as the enhancement of IDB New York’s activity, whose materialization are not certain and are provided based on assessments in the possession of the Bank, and which are conditional on various factors, the realization of which is not assured, inter alia, in relation to the actual impact of the partnership with the Fund.*
- The date and time when the Corporation first learned of the event or matter:

August 14, 2024 at 07:15

Report that was delayed in accordance with Regulation 36(b):

- If the report was delayed – the reason for its submission having been delayed

4. On _____ at _____, the obstacle preventing submission of the report was removed.
5. The Company is a shell company as defined in the TASE Code.

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 Discount Subsidiaries Division</i>
2	<i>Adv. Hadar Brin-Weiss</i>	<i>Other Executive Vice President, Chief Legal Counsel</i>

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

The securities of the Corporation are listed for trade on the Tel Aviv Stock Exchange Date of updating structure of form: 06/08/2024
Abbreviated name: Discount
Address: 1 Discount Street, Rishon Lezion 7574602, Israel Tel: +972-3-9439111; Fax: +972-3-5171674
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: 1 Discount Street, Rishon Lezion 7574602, Israel Tel: +972-76-8054499; Fax: +972-3-5171674 Email: michal.sd@dbank.co.il

Israel Discount Bank's Immediate Reports are published in Hebrew on the website of the Israel Securities Authority and the Tel Aviv Stock Exchange.

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.