

Bezeq – The Israel Telecommunication Corp. Ltd. ("Company")

July 16, 2020

The Israel Securities Authority

The Tel Aviv Stock Exchange

<u>Immediate Report - Class Action against Walla! Communications Ltd.</u>

On July 15, 2020, the Company was notified by the subsidiary, Walla! Communications Ltd. ("Walla"), that a claim and a motion to certify the claim as a class action had been filed against it in the Tel Aviv-Yafo District Court. The claim alleges that users of Walla's "Walla! News" website ("Walla site") seeking to consume content in the form of short video clips were deceived regarding the number and/or duration of the commercial advertisements to which they must be exposed as a condition for viewing the desired content and/or regarding the waiting time until the desired content can be viewed. According to the petitioners, this deception has caused them and the other class members damage, reflected, *inter alia*, in loss of time, longer screen-time exposure and infringement of their autonomy.

The compensation sought for each time a user of the Walla site is subjected to this mode of operation in connection with double video ads has been put at NIS 25. The motion states that the amount of the class action cannot be accurately assessed at this stage (it is noted in the body of the motion that the total compensation for all the class members is estimated, on a preliminary basis only, at more than NIS 5 billion).

Walla is studying the details of the claim and the certification motion, and both it and the Company are unable at this stage to evaluate their prospects.

Sincerely,

"Bezeq" The Israel Telecommunications Corp. Ltd.

The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law, and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.