

Bezeq - The Israel Telecommunication Corp. Ltd.

("the Company")

May 4, 2021

To Israel Securities Authority

To Tel Aviv Stock Exchange Ltd.

Dear Sir/Madam,

Immediate Report

Compromise Agreement in Class Action - Pelephone Communications Ltd

Holon, Israel – Bezeq The Israel Telecommunication Corp., Ltd. (TASE: BEZQ), provided today an immediate report further to section 3.16.1C of the chapter containing a description of the Company's business operations in the Company's 2020 periodic report, regarding a claim and petition to approve it as a class action, filed against the subsidiary, Pelephone Communications Ltd ("Pelephone"), concerning collections for content services supplied by an outside company.

On May 4, 2021 the Company received notice from Pelephone concerning a court ruling handed down on May 3, 2021 approving a compromise agreement between it and the petitioners in the proceedings, including the provision of benefits to the customers in question and associations to a value of NIS 2.5 million.

Sincerely,

Bezeq - The Israel Telecommunication 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.