



December 20, 2017

Immediate Report

Notice from Eurocom

An Immediate Report is hereby provided that on December 20, 2017 the Company received a notice from Eurocom Communications Ltd (“Eurocom”), the Company’s indirect controlling shareholder, according to which on December 20, 2017 banks filed an application with the Tel-Aviv District Commercial Court for a temporary injunction for the appointment of officials / observers who will provide support to Eurocom in selecting the processes for disposal of assets and servicing debt, and various commercial processes etc. (“the Official”).

In addition, as part of the application it was requested that the official receive full access to the information of Eurocom etc. and will be entitled to be assisted by consultants and/or to take urgent legal steps in the interests of the creditors, if such shall be required.

This application is in addition to the application for liquidation filed by the banks, without any additional temporary injunction. As part of the application for a temporary injunction it is clarified that the requested authority of the official is a general authority that does not derogate from the authority of Eurocom’s Board of Directors, which is authorized to continue to direct Eurocom’s actions.

As part of the initial reaction by Eurocom to the application, Eurocom has pointed out that it will agree to the appointment of observer/s on behalf of the creditors subject to obtaining approval from the Ministry of Communications that the entire process does not impair the control permits of the Company and of Spacecom Ltd.

According to the Eurocom notice, by decision of the court, the appointment of an official will be heard on December 25, 2017 together with representatives of the Ministry of Communications (who have been summoned at the request of the court).

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.